



AGENDA
RIO DELL CITY COUNCIL
CLOSED SESSION – 5:30 P.M.
SPECIAL MEETING – 6:30 P.M.
TUESDAY, SEPTEMBER 22, 2015
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

THE TYPE OF COUNCIL BUSINESS IS IDENTIFIED IMMEDIATELY AFTER EACH TITLE IN BOLD CAPITAL LETTERS

A. CALL TO ORDER

B. ROLL CALL

C. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:

1) 2015/0922.01 - **Conference with Legal Counsel – Existing Litigation**

Name of Case: City of Rio Dell v. SHN Consulting Engineers and Geologists, Inc. a California Corp. Case No. DR130745 (Pursuant to Gov't Code Section 54956.9(a))

D. PUBLIC COMMENT REGARDING CLOSED SESSION

E. RECESS INTO CLOSED SESSION

F. RECONVENUE INTO OPEN SESSION – 6:30 P.M.

G. ORAL ANNOUNCEMENTS

H. PLEDGE OF ALLEGIANCE

I. CEREMONIAL MATTERS

J. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Councilmembers present that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

K. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".

- | | |
|---|----|
| 1) 2015/0922.02 - Approve Minutes of the September 1, 2015 Regular Meeting
(ACTION) | 1 |
| 2) 2015/0922.03 - Approve Minutes of the September 15, 2015 Regular Meeting
(Monument Middle School Multi-Purpose Room) (ACTION) | 11 |
| 3) 2015/0922.04 - Receive Proposed Land Use Matrix and schedule a Joint Study
Session with the Planning Commission for the meeting of
October 6, 2015 at 5:30 p.m. for review and discussion (ACTION) | 26 |

L. ITEMS REMOVED FROM THE CONSENT CALENDAR

M. SPECIAL PRESENTATIONS/STUDY SESSIONS

- | | |
|--|----|
| 1) 2015/0922.05 - Presentation from Redwood Coast Energy Authority (RCEA) on
Community Choice Aggregation (CCA) Related to Delivery of
Electrical Utilities (RECEIVE & FILE) | 52 |
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N. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

- | | |
|---|----|
| 1) 2015/0922.06 - Adoption of a Water Rate Adjustment Option and Authorizing
Staff to begin the Proposition 218 Process (DISCUSSION/
POSSIBLE ACTION) | 53 |
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O. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

P. REPORTS/STAFF COMMUNICATIONS

1. City Manager
2. Chief of Police
3. Finance Director
4. Community Development Director

Q. COUNCIL REPORTS/COMMUNICATIONS

R. ADJOURNMENT

*The next regular meeting will be on October 6, 2015
at 6:30 p.m. in City Hall Council Chambers*

**RIO DELL CITY COUNCIL
REGULAR MEETING
SEPTEMBER 1, 2015
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Councilmembers Garnes, Johnson, Marks and Thompson

Others Present: City Manager Knopp, Finance Director Woodcox, Chief of Police Hill, Community Development Director Caldwell, and City Clerk Dunham

Absent: Water/Roadways Superintendent Jensen and Wastewater Superintendent Chicora (excused)

CEREMONIAL MATTERS

Presentation of Life Saving Award to Sergeant John Beauchaine

Chief Hill said he was pleased to present Sergeant Beauchaine with the *Citation for Valor Award* and said the award is being presented as the result of an event that took place on August 15th involving a despondent woman who was attempting to jump off the southbound span of the Highway 101 bridge. Sergeant Beauchaine and an unknown citizen were able to grab her and rescue her from falling and wanted to give special thanks to Sergeant Beauchaine for going the extra mile and ultimately saving the woman's life. Mayor Wilson shook Sergeant Beauchaine's hand as Chief Hill presented him with the award.

Chief of Police Hill was excused and left the meeting at this time.

PUBLIC PRESENTATIONS

None

CONSENT CALENDAR

Motion was made by Johnson/Thompson to approve the consent calendar including approval of minutes of the August 18, 2015 regular meeting, and authorization for the City Manager to sign Proposition 84 Sub-Grantee Agreement with the County of Humboldt for the Metropolitan Well Site Project. Motion carried 5-0.

SPECIAL PRESENTATIONS

Presentation Introducing Revised Land Use Matrix

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Community Development Director Caldwell provided handouts of the Draft Land Use Matrix which he noted the Planning Commission has been working on for over a year.

Mayor Wilson announced a vacancy on the Planning Commission as the result of the resignation of one of the commissioners and said anyone interested in serving would need to submit an application by September 30th.

Community Development Director Caldwell continued with a short power point presentation and said the intent is to expand the allowable uses, develop a Land Use Matrix with clear definitions of the various use types and incorporate it into an Economic Development Roadmap. He said the Planning Commission's idea is also to pre-permit as many uses as possible.

He then reviewed the various land use designations and the primary allowable uses within each of those designations.

He presented the current Land Use Map of the City and identified the acreage of the various land use designations. He noted that the map identifies the Industrial (I) land use however; there are no parcels in the City currently zoned Industrial. He said there is however approximately 8 acres zoned as Industrial Commercial (IC) on the west side of Eeloa Ave. and approximately 45 acres in Metropolitan and said the Planning Commission will likely be recommending to the Council the adoption of a Highway Commercial (HC) land use designation for approximately 20 acres of land adjacent to Highway 101 in Metropolitan. He pointed out that there are some development constraints in that area; 1) the flood plain, 2) there currently is no City water or sewer services available, and 3) the existence of a Brownfield site that is in the process of getting cleaned up. He said with regard to the sewer what some jurisdictions and developers have done is go to packaged wastewater treatment plants which are typically cheaper than extending services.

He then referred to the Natural Resources (NR) designation which includes approximately 285 acres including the Mozzetti Ranch and said one of the things that were briefly talked about is why part of that area was changed from a Timber Production zone (TPZ) to NR which doesn't allow houses as a principally permitted use. He said the grassland area could essentially be designated as Rural (R) or it could be designated as a Combined zone. He noted that staff needs to get together with Mr. Mozzetti to see what he would like to do with regard to zoning so the zoning reflects the actual use of the land.

He said again the idea is to give the City Council a brief overview of what the Planning Commission is doing and provide a copy of the Land Use Matrix. He commented that the Planning Commission will be meeting on Thursday to hopefully complete the review so a joint study session with the City Council can be scheduled to go over the Commission's recommendations. He noted that his recommendations are somewhat different than the Commission's so they will be talking about that at the meeting.

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Councilmember Garnes asked if the Council could receive a copy of the power point presentation; Community Development Director Caldwell agreed to provide Councilmembers with a copy.

Councilmember Johnson thanked staff for the tremendous amount of work put into creating the Land Use Matrix and said in looking at it he had a question regarding Aggregate Resource Processing and noted that in the NR zone it doesn't seem to be permitted.

Community Development Director Caldwell explained that this is actually the processing itself and the NR designation for the most part other than the Mozzetti property, is actually on the river bar and these processing facilities would be where the sorters and crushers would be so would more appropriately be allowed in the Industrial (I) zone. He added that aggregate resources as he probably knows, is actually regulated by the County and the SMRA (Surface Mining Resources Act) and is the lead agency on any in-stream gravel mining in Humboldt County. He noted that there is also another group, (CHERT) County of Humboldt Environmental Resource Team that reviews all in-stream mining operations to make sure they are consistent with adopted environmental plans.

Mayor Wilson asked if people are allowed to do mining on the river bar; staff commented that it would depend on their title report and whether they had mineral rights to mine. He said it would surprise him if it would be worthwhile for any property owner to pursue the permitting process as it is extremely costly.

Community Development Director Caldwell pointed out that with regard to development at the Eel River Industrial Park, when the City annexed that property in 2008, Cal-Trans put a limit on the size of developments and any developments over 10,000 sq. ft. will require a Traffic Study.

Mayor Wilson called for public comment on the Draft Land Use Matrix; there was no public comment received.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Provide Staff Direction on September 8, 2015 Water Rate Study Session

City Manager Knopp provided a staff report and said at the August 18th Council meeting, potential water rate scenarios were presented to the Council and at the end of the discussion, the Council recommended a Study Session be held on September 8th followed by possible adoption of a preferred rate schedule on September 15th.

He stated that this item comes at the request of the Mayor who suggested a number of topics to be discussed at the Study Session.

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He added that this particular agenda item is not to discuss or debate the merits of any of the water rate scenarios but to discuss the information the Council would like staff to present at the September 8th Study Session.

He said what staff envisions for the overall format of the meeting is to provide an initial presentation from staff on the recap of actions since the August 4th and August 18th meetings then cover the special request items by the Council.

He noted that staff will not have access to Mr. Richard Culp over the next week who is the City's water rate Prop 218 analyst from RCAC as he is not available at this time and also that his time on the project is limited in moving forward. He said staff will however, do what they can to put together the requested materials. He said staff is also in the process of securing the multi-purpose room at the Monument Middle School for the meeting and by the end of the week will be sending out notices and the intention is to send them out on postcards to save some of the postage costs unless the Council directs otherwise.

He said some of the items suggested as additional items to be presented at the meeting include:

- 1) Topic and discussion area on accountability such as where the total rate dollars will go, including debt covenants and arrangements that prior City Councils have engaged the City in and how to insure that the decisions this Council makes will be followed out 5 years down the road and that the funds are not diverted for some other purpose;
- 2) Staff resources including payroll that goes into the total costs to operate the water system;
- 3) The new Metropolitan Well Site and how that will require additional costs moving forward;
- 4) Capital and the recommended 20% set aside for much needed Capital Improvement funds to leverage State and Federal dollars to help pay for some of the water system improvements;
- 5) Possibility of a phase-in rate structure;
- 6) Funding for seniors and low income customer discounts;
- 7) Chart showing current individual water usage;
- 8) Answers to the list of unanswered questions from the minutes of the August 18th meeting presented by the public;
- 9) Discounts for the business community;
- 10) Chart to explain how to compute charges under the proposed rate increase; and
- 11) How changing the rate options may or may not affect the funding goal already accepted by the Council.

Councilmember Thompson stressed the importance of presenting to the ratepayers the importance of maintaining the rates at 1.5 to -2% of the median income and the consequences

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down the road if they are not. He said even though the proposed rates are high, if they are not increased now they will be even higher down the road.

He said related to the process for determining what exactly the median income for Rio Dell is, the City Manager explained that the process would be to apply for a grant then appeal to the Water Board. He commented that the facts in the Prop 218 notice need to be correct and suggested staff stick to basic precise facts without over-loading customers with too much information that is confusing.

Councilmember Thompson referred to the map including the two water zones and said he is not comfortable with the proposal and would like to discuss that matter further at the September 8th meeting.

Councilmember Johnson stated that he was approaching this at a slightly different angle and said he was hoping to basically hear from the public and between staff and the Council, answer questions the Prop 218 voters have. He said he envisioned this meeting as a continued public hearing rather than a study session and the last thing he wants to do is place an undue burden on staff. With the 3-day weekend approaching he doesn't think it is fair to expect staff to spend 60 hours putting together information. He added that whatever the Council comes up with, he will be asking the City Manager if it is burdensome and wants an honest answer because there is not much time to put everything together and get notices out to the public at this point.

Councilmember Marks commented that he doesn't know what the public expects but whatever it is, it should be as simple as possible. He said he went home and figured out his bill and suggested a simple worksheet be presented to customers so they can calculate the charges under the new rates. He said as far as water rates for businesses he is not sure what is fair because there are some businesses that hardly use any water and others that use a lot. He said there is not a lot of time to get the notices out to the public and pointed out that there will be no mail delivery on Monday (Labor Day).

City Manager Knopp indicated that notices could go out by Friday for Saturday delivery.

Councilmember Garnes stated that she had already spoken to the City Manager regarding questions she had regarding phasing-in rates and urged staff to get the notices out as soon as possible as it was a holiday weekend and many people have plans to leave town so may not get their mail until after the meeting.

Councilmember Thompson suggested something be included on the notice asking citizens to submit questions regarding the rates to staff prior to the meeting.

City Manager Knopp pointed out that typically study sessions are more of a Council driven process whereas the meeting on September 15th would be for the purpose of holding a public hearing to receive citizen input. He said the postcard could basically advertise both meeting

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Mayor Wilson commented that he received his bill today and that the \$100.00 covered both water and sewer charges but in some ratepayer's minds, they may be thinking that a \$100.00 bill will be going up to \$200.00 whereas the majority of those charges relate to the sewer which is not going up. He suggested for clarification that it be pointed out. He said the most important thing is for the Council to listen to citizens and said it needs to be understood that there will not be money for Capital improvements the instant the rates are changed as it involves a long process to build up those funds.

Mayor Wilson then asked if the postcard noticing the meeting will be going out to all rate payers or just property owners.

Councilmember Thompson agreed to send notices to property owners only under the provisions of Prop 218 since they will be the ones allowed to protest the rate increase.

Councilmember Johnson stated that he wanted the people who pay the bill to get the notice.

Councilmember Marks said he thought the notices were going to all ratepayers and that only property owners could vote under Prop 218. He said he would like to see notices go out to all rate payers and said they should have a voice in the process.

Councilmember Garnes agreed that everyone who gets a bill should get a notice.

Mayor Wilson stated that under Prop 218, the renters do not get to vote on a rate increase and that is not going to change any time soon but whatever the Council proposes, the ratepayers need to understand it so there is no need to protest the rate increase. He mentioned the importance of accountability and said the Council needs to approach the issues up front. He said if this meeting takes place without notification to all ratepayers, staff will have to deal with a lot of irate customers which is not fair. He said this can be solved up front with proper communication to the public.

The consensus of the Council was that notices go out to all ratepayers and property owners.

Mayor Wilson suggested handouts be provided at the meeting on September 8th to help answer any questions the public may have regarding the rates and asked for Council's input on the agenda for September 15th.

Councilmember Johnson suggested beginning the deliberation process and being prepared to vote on a rate proposal if possible. He asked staff if this would be a fair goal due to the limited staff at this time.

City Manager Knopp responded that he felt confident that it would be relatively easy to produce answers to the majority of the questions even without access to the Prop 218 analyst. He said he

and staff will do their best to put together the information for the meeting on September 8th and looks forward to the challenge.

Mayor Wilson called for questions and comments from the public.

Richard Newman pointed out that the upcoming weekend is a holiday weekend and basically the sidewalks are rolled up, people leave town and don't come back until Monday night so realistically they won't get the notice of the meeting in time to attend. He said it gives the appearance that the Council is trying to cover something up.

Tracy O'Connell stated that she would endorse pushing the date back because what she perceives could possibly happen is that the absentee landlords won't have enough time to respond with their questions or concerns.

Councilmember Thompson said it seems like time is a problem and said one solution would be to perhaps authorize staff overtime to get the notices out earlier.

Finance Director Woodcox said staff has a plan in place with the focus on getting the notices out on Thursday.

Mayor Wilson expressed concern about having the meeting without enough advance notice to citizens and how it may be perceived as the city trying to cover something up.

Councilmember Garnes commented that the Council needs more time to digest the information as well as the citizens and that it's not so much that it's too soon to have the meeting but too soon with it being a holiday weekend.

After further discussion, a decision was made to hold the town hall meeting on September 15th (the day of the regularly scheduled council meeting) to have a presentation, public hearing and continued discussion on the proposed water rate schedule only, and to schedule a special meeting on September 22, 2015 for the remaining regular meeting agenda items. It was agreed that staff would make every effort to get notices out to all ratepayers by Friday, September 4th.

Review and Discussion of Staff's Proposed Submittals for County of Humboldt 2016 Legislative Platform

City Manager Knopp provided a staff report and said he received a letter from the County regarding the 2016 Legislative Platform Development Process and said the County Board of Supervisors is moving toward a more regional cooperation on legislative advocacy and is asking for cities to submit legislative items of interest by September 18, 2015. He said staff developed a list of priority issues (in no particular order of priority) including:

- 1) Reassessment of the American Community Survey Data
- 2) Enhanced Road Maintenance Funding

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- 3) Increased Supplemental Law Enforcement Services Funding
- 4) Increased Economic Development Tools for Small Municipalities

He indicated that Council is free to add, subtract or modify the proposed list of priorities.

The Council agreed unanimously with the list and felt that all 4 of the items adequately address the needs of the City.

Mayor Wilson called for public comment on the proposed submittals; there was no public comment received.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp reviewed his written staff report as submitted and said public works cleaned up the area along Wildwood Ave. and the bridge in anticipation of the filming of the movie "Woodshock"; commended Cameron Yaple (public works) and Officer David Lungi for their work assisting the fire department on the fire at Third and Dixie; said staff will be working on some of the more obscure components of the Prop 84 grant and submitting reimbursement requests to the State; road survey work was underway at the former Eel River Sawmill area; said staff initially was hoping to utilize assistance of California Conservation Corp (CCC) for various vegetation maintenance project however; received a quote today which was extremely expensive so will be looking at other alternatives ; announced there will be an e-waste event held on Saturday, September 19, 2015 in the City Hall Parking lot from 9:00 a.m. to 2:00 p.m.; reported the downtown parking lot was scheduled to be striped this week and said with regard to lighting at the downtown parking lot, adding a PG&E light is cost prohibitive but solar lighting may be a possibility; and reviewed the current stream gage of the Eel River.

Councilmember Thompson asked about the information on the water table elevations at the well site that Water/Roadways Superintendent Jensen was going to provide to Council. City Manager Knopp said he would follow up with staff for the information.

Councilmember Johnson asked if any advertising was done for the e-waste event and said he noticed public works doing a repair on Monument Road using Dennis Wendt's vactor and asked for the rental rate for the equipment.

City Manager Knopp responded that Humboldt Waste Management Authority (HWMA) was handling the e-waste event including advertising.

Finance Director Woodcox said she would research the rental rate of the vactor and report back to Council.

Mayor Wilson questioned when the next hazardous waste day was going to be scheduled.

Councilmember Thompson said he thought the event was changed to a 2-year cycle to save money.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Johnson announced that he would be traveling to Crescent City the following day for the fifth Last Chance Grade Stakeholder's meeting and was hoping it was the last meeting but looks like it will be extending into fall or winter at this point.

Councilmember Marks reported on his attendance at the Redwood Coast Energy Authority (RCEA) meeting and said the big topic of conversation at this time is Community Choice Aggregation (CCA) that enables local governments to procure cleaner, cheaper power whereby leaving grid management and billing to PG&E.

He said some of the other jurisdictions (County and Arcata) have already made the decision to opt out of PG&E and to approve implementation of community choice aggregation through the Joint Powers Agreement (JPA) however; Trinidad and Rio Dell were not given the information yet and he voiced his concern that until the City receives a presentation he is not comfortable voting on the JPA.

City Manager Knopp stated that he spoke to Mr. Marshall and scheduled a presentation for September 15th and will try and reschedule for September 22nd.

Councilmember Thompson commented on the lighting at the downtown parking lot and said there is already a power pole there so it should be easy to run power for lights.

Councilmember Garnes asked for a consensus of the Council regarding placing an item on the September 22nd agenda to discuss the idea of placing an LED sign in front of City Hall for the benefit of the City and citizens in order to better communicate with citizens but would like to explore the possibility and see what the process would be.

Consensus of the Council was that the matter be placed on the September 22, 2015 City Council agenda for discussion.

Mayor Wilson reported on his attendance at the Redwood Region Economic Development Commission (RREDC) meeting and said the Board is behind "Fly Humboldt" to bring in another airline carrier and said as the result of increased usage of the Arcata Airport they may be adding a third flight

ADJOURNMENT

Motion was made by Johnson/Thompson to adjourn the meeting at 8:17 p.m. to the September 15, 2015 regular meeting at the Monument Middle School. Motion carried 5-0.

Attest:

Frank Wilson, Mayor

Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL
REGULAR MEETING
SEPTEMBER 15, 2015
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. at the Monument Middle School Multi-Purpose Room, 95 Center St., Rio Dell by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Councilmembers Garnes, Johnson, Marks
And Thompson

Others Present: City Manager Knopp, Finance Director Woodcox,
Water/Roadways Superintendent Jensen, Accountant II Farley,
Senior Fiscal Assistant Townsend, Fiscal Assistant Talavera,
Sergeant Beauchaine and City Clerk Dunham

Absent: Chief of Police Hill, Community Development Director Caldwell
and Wastewater Superintendent Chicora (excused)

PUBLIC PRESENTATIONS

Shannon Miranda, Miranda's Animal Rescue addressed the Council regarding the handling of stray animals and said he was highly irritated with the police department regarding a recent incident involving an injured dog. He said although he no longer has a contract with the City of Rio Dell for animal control services, there are a massive number of cats and dogs that end up at his facility thus incurring the cost to take care of them. He said until the problem is rectified he will no longer be taking any animals from Rio Dell through Fortuna and noted that if the City is forced to contract with the County; the cost will be thousands of dollars.

He commented that he previously had a contract with the City for \$1,200/month for animal control services and proposed an increase to \$2,500/month and at that time the contract was terminated and the City made arrangements with the City of Fortuna to take over that service. He also noted that he and Gayle Holder presented the City with a draft breeding ordinance with a recommendation for adoption but nothing ever happened which is why there is still an abundance of stray animals running around.

Mayor Wilson stated that his understanding was that the City terminated the contract but animals are still taken to Miranda's Animal Rescue because of the City of Fortuna's arrangement with them. He referred the complaint to the City Manager to pursue the issues and get back to him.

SPECIAL PRESENTATIONS/STUDY SESSIONS/PUBLIC HEARINGS

Presentation, Public Hearing and Continued Discussion on Proposed Water Rate Adjustment
City Manager Knopp began by thanking everyone for attending and said copies of the questions and answers as well as the power point presentation were available for anyone who did not get the information at the door.

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He began by providing an overview of the presentation and said staff will be providing an explanation of the water bill; a brief overview of the 2005 Water Rate Study; will talk a little bit about the unrestricted reserves; provide a recap of the August 4, 2015 council meeting discussion/action; look at the proposed Capital Improvement Plan; provide a review of the Prop 218 process for amending water rates; present proposed rate adjustment options; and explain how the rates affect water bills, then will turn it over to the public for questions and comments and between the Council and staff will answer as many questions as possible.

City Manager Knopp and Finance Director Woodcox walked through each of the slides contained in the presentation and provided an explanation of the key issues leading up to the proposed water rate increase.

Key reasons for the proposed increase included:

- Insufficient revenue in the water funds
- The average water bill no longer meets the Median Household Income (MHI) criteria for leveraging state and federal funding
- The City is in non-compliance with its 15% reserve policy
- The City is in non-compliance with the financial agreement related to the current annual debt service payment of \$136,000 in that there must be an amount equal to 1 annual payment put aside in reserves
- There are urgent capital needs of the system that need to be addressed (total financial needs for the system under a CIP was estimated between \$400,000 and \$1,400,000 annually)

City Manager Knopp pointed out that to save taxpayers money, the Council adopted a Capital Improvement Plan to generate \$180,000 per year over five years in order to have matching dollars for state and federal grants to be able to accomplish top priority projects such as:

- Matching dollars for Infiltration Gallery Extension
- Matching dollars to replace pre-1950's water pipes
- Matching dollars for replacement of Painter St. Tank
- Funds to replace miscellaneous equipment such as filter media, asphalt patching equipment, vehicles and a vactor truck

Next was review of the Prop 218 process to amend the water rates. City Manager Knopp said the first step is to establish a funding goal which the Council did at their August 4, 2015 regular meeting. The next step is to establish a proposed rate structure then submit it, along with other required Prop 218 documents to the property owners to begin the 45-day noticing period. He said at the end of the 45-day noticing period, a public hearing is held on the proposed rate structure and the protest votes are counted. He said if 50% plus 1 protest vote is received, then the rates cannot be implemented.

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Various rate options were presented ranging from a 100% flat rate of \$62.17/month to 100% variable rate at \$12.17 per unit of water.

Staff explained that the current rate structure is basically what is proposed under Option 2 with the rate at 75% fixed and 25% variable. With this option the base rate would be \$46.63 including 1 unit of water and \$3.04 for each additional unit.

Staff continued with review of frequently asked questions regarding the proposed rate increase and staff's response to those questions.

Mayor Wilson opened the public hearing to receive public comment on the proposed rate increase.

Joey Sancho addressed the Council regarding the Prop 218 process and commented that only property owners will be allowed to vote on the rate increase so essentially what that means is it will take over 600 property owners to send in protest votes or the citizens will be "railroaded" into the increase whether they like it or not.

City Manager Knopp assured the public that no one is trying to railroad anything and this is the process under state law. He said what the City is trying to do is capitalize the needs of the water system otherwise over time the repairs will be even greater.

An unidentified person asked if the seemingly high \$42,137 Median Household Income (MHI) for Rio Dell could be challenged and stated that it was realistically more like \$28,000.

City Manager Knopp explained there is a process and that this is a product of the federal government and the U.S. Census Bureau and the City Council does not believe it is accurate. He noted that in going through the grant process staff is exploring ways to appeal the data and is working with the State to assist with funding to have a new income survey done but anticipates it will take approximately 6 months.

City Manager Knopp said another important thing to remember is that in working on securing grants for the water system improvements the City has received several items of correspondence from the State citing that the city is in violation of existing covenants and the amount of revenue collected through the current rate structure is not enough.

Another unidentified person said the City will be receiving even less revenue if half of the citizens get their water shut off because they can't pay their bill under the new rates.

Mayor Wilson asked citizens to speak one at a time, stand up and state their name for the record and address their questions to the Council.

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Another identified person asked why the Council is attempting to adopt new water rates in 45 days when it takes 6 months to challenge the MHI. Also, why is the City going forward with a rate increase if they don't have all the answers?

City Manager Knopp responded that the current revenue coming into the City is not even covering operational costs.

Mayor Wilson commented that the Council needs to receive input from the community and is not going to resolve everything tonight. He said the idea is to hear the questions and comments from the public and respond with answers at a subsequent meeting.

Janet Robins asked if the Council had considered implementing a 2-5% cut in pay across the board for all employees.

Liz said going back to the MHI, what is the contingency in relationship to increasing rates to possibly qualify for grants that didn't come through in 2005. She asked what happens if we get 2 years of good rain and the grant is off the table; does the City have a back-up plan? Also, are the wells a viable source of water to carry the City through in an emergency and asked when the last acquirer was tested.

Tom Joiner said it seems like the City has a problem and can't quite pay its bills but at the same time wants to make all these improvements to the water system. He said with enactment of the recent local sales tax and the fire assessment it seems like the City is going for an awful lot awfully fast. He commented that he only gets so much and the City can't keep taking and taking.

Jack Hay commented that most people in Rio Dell are on a fixed income and every year things go up. He asked if the solution might be to reduce staff at City Hall and asked how many current employees there are.

Councilmember Thompson commented that the City did address staffing and in 2010 had a Total Compensation Study done and with that, made some pretty painful cuts by reducing staff by 9 people. He said the City is currently operating with the bare minimum level of staffing.

A citizen asked if police department salaries come out of the water funds in which staff responded that they do not.

Ranada Laughlin asked if staff had identified a preferred rate option.

Mayor Wilson said the City Council, at the August 4, 2015 Council meeting identified a funding goal of \$1.2 million and the various rate options were discussed but no rate option has been selected by the Council.

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Rhonda O’Kane said if it is true that Rio Dell can’t pay its bills why we are working on reassessing the MHI since it will only bring the rates down. She also asked if Rio Dell’s water rates are the highest in the County.

City Manager Knopp explained that the City has an outstanding grant application with the State Safe Drinking Water Revolving Loan Fund to pay for part of the Metropolitan Wells at it is not eligible at this time and to solve that will need to ask for an adjustment of the MHI to bring that down to a figure to meet the criteria.

Finance Director Woodcox responded that the City of Trinidad has higher water rates but she wasn’t sure if there are others.

Mayor Wilson stated that the City’s water rates are also pretty competitive with Ferndale’s.

Joey Sancho said the Council talked about layoffs of staff but did not mention the increase in the City Manager salary from \$66,000 10 years ago to \$106,000 today. He commented that the Council justified the salary at a prior meeting by claiming that it was because he is also the Public Works Director but he is quite sure that no one is going to find him working in a ditch.

Dave Griffith said he was told that City employees get free water and asked if it is true.

Officer John Beauchaine interjected that he lives in Rio Dell and does **not** get free water.

City Manager Knopp stated that this is serious allegation and if anyone has information or is aware of any employee receiving free water he would like to know about it because it is grounds for termination.

Sharon Wolff said the reason he heard that is because the employees did at one time receive free water.

Dave Griffith asked if there was anyone in the audience that earns a salary of \$100,000 like the City Manager; there were no responses.

Randy Roberts asked why the City would go back to the old wells when they are contaminated and full of a dioxin and said once it gets into the human body it never leaves and is passed on from generation to generation.

City Manager Knopp explained the well site was tested multiple times and came up clean. Also, the State Division of Safe Drinking Water has signed off on it as a secondary source of water during emergencies and said the City installed a series of monitoring wells to test the area around the well site. He said should any dangerous pollution be detected, the project will be shut down.

Water Superintendent Jensen explained that all 3 well sites were tested and they all tested clean are free from any harmful contaminants. In addition the City is also testing the surrounding area with monitoring wells to make sure there are no harmful contaminants.

Randy Roberts commented that the old well is 1342 feet from the new well site.

Water Superintendent Jensen clarified that the well he is referring to is not the City's well and the City's wells are all confined to a small area

Dave Griffith commented that the current location of the city's infiltration gallery is where the former sewer plant was located.

City Manager Knopp reiterated that all of tests as required by the State have been done and have all come out clean.

Water Superintendent Jensen added that anytime any type of violation occurs with regard to the quality of water the public will immediately be notified as required by the State Regional Water Quality Control Board. He stated that he personally takes pride in making sure the water delivered to customers is clean and free of any dangerous chemicals or pollutants. He confirmed that there was at one time a sewer plant near the infiltration gallery but it was removed years ago and has no effect on the current water supply.

Joey Sancho said the idea of putting in the infiltration gallery was to avoid pumping water from the wells across the bridge in Metropolitan and now the City is pumping its sewer across the bridge.

City Manager Knopp stated that the reason for wells project was to find a secondary source of water for use during emergency situations such as severe droughts or during times of high turbidity in the river and the only other solution was to go inland and the costs to do that would have been much greater and involved taking property by eminent domain.

Clara Diffin stated that staff answered all of the questions except why the idea cutting salaries has not been considered. She said she live in a trailer court and has to scrimp and save to pay her rent and asked why the City Council can't take a pay cut.

Mayor Wilson stated for clarification that the Mayor and City Council are strictly volunteer positions and do not receive any type of compensation. He noted that the question of salary cuts for employees will be considered and answered.

Clara Diffin said when the paper came out; it mentioned a 70% increase in water rates and said she as well as most residents can't afford it.

Laura said there should be a program established to assist seniors or low income residents on fixed incomes. She added that it seems it would be in the City's best interest to get at least some sort of assistance program in place as opposed to citizens not being able to pay their bills.

City Manager Knopp said under state law, one particular group of ratepayers cannot subsidize another group and in order to pay for a subsidy, the money would have to come from another source such as the General Fund. He pointed out that approximately 70% of General Fund dollars is dedicated for law enforcement activities. And providing a subsidy increases the cost of the water system which is something the City is trying to keep down.

Elizabeth Coleman-Johnson commented that water is considered a public utility just as PG&E is and they have multiple programs that subsidize low income customers and for "sustaining of life for the elderly" which is legal.

Mayor Wilson said the City will look into that issue.

Candy Roberts commented that if the City raises the water rates, they won't necessarily have more revenue because people won't be able to pay their bills. She commented that she doesn't have a problem with a small increase but 70% is ridiculous.

Linda Bartlett asked what the City looked at as far as cutting expenses to avoid imposing such a high increase and asked if the City Manager's salary is paid for out of water funds.

City Manager Knopp responded that cuts were made under the Capital Improvement Plan (CIP) and that a portion of his salary does come out of water funds.

Linda Bartlett also asked if the City had taken a look at employee health insurance costs.

Finance Director Woodcox stated that staff has looked at insurance costs and actually went to a cheaper plan to save money. Also staff did look at the potential savings related to salary cuts however; the information has not been presented to Council.

Tom Joiner asked if the police officer that was recently fired was going to be replaced.

City Manager Knopp stated that there are actually 2 vacant police officer positions open and pointed out that the water funds do not and cannot pay for any portion of law enforcement services.

Tom Joiner said the City just implemented the 1% local sales tax and with the termination of a police officer has the opportunity to save some money so suggested the City sit on filling the vacant police officer position.

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City Manager Knopp said if the Council directs staff to only fill 1 of the vacant positions he can do that but to fully staff the police department it takes 5 officers and he doesn't believe the majority of the citizens want to see a police force of 3.

Dave Griffith posed the idea of eliminating the police department all together and contracting with the Sheriff's Department.

Mayor Wilson stated that the matter is not on the agenda for discussion at this time.

Janet Robins asked how the water consumption can stay the same when someone is gone for 3 weeks out of a month.

Finance Director Woodcox explained the meter reading and billing process and said staff can investigate her situation.

City Manager Knopp clarified that even if no water is used there is a flat fee associated with the bill.

Staff proceeded with review of the Questions & Answers and said with regard to the question as to why the water lines can't be replaced one street at a time rather than the entire City all at once he said there is no proposal to replace all piping at once and the proposal is to replace approximately 30,000 feet of aging pipes that have exceeded well beyond their useful life.

The next question on the list had to do with restructuring the City's debt. Staff explained the current loan is on a 25 year term at 0% interest and there are no provisions in the agreement that allow for the terms of the loan to be extended.

It was then explained that property, income, and sales taxes do not go toward the water system and are imposed for general purposes such as law enforcement.

City Manager Knopp then provided an explanation of the Dinsmore Zone and explained that it is a specific pressure zone and is primarily associated with those services located above the Douglas Booster Station that services the Dinsmore Tank and piping to those services including the areas along upper Monument Road both inside and outside city limits. He provided a list of 29 services covered under the Dinsmore Zone and said they will have an additional surcharge so the main core is not saddled with subsidizing that zone.

Elizabeth Coleman-Johnson asked if those customers will have a separate vote on the rate adjustment under Prop 218.

City Manager Knopp said according to legal counsel the protest provisions group both zones together so all protest votes will be counted together as one group.

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A question was raised regarding customers that own multiple parcels and whether they get to vote more than once.

Staff explained the record owner of each parcel is allowed to submit a protest vote for each

Staff explained the record owner of each parcel is allowed to submit a protest vote for each separate parcel.

Judy Ingraham asked how many votes qualify if 1 parcel contains 2 residences.

Staff explained that only 1 vote per parcel can be counted.

Joe Enes commented that he is charged almost the same amount for a vacant parcel than he is for his own residence.

Cal Fisher said when he purchased his home it included the main house and a mother-in-law unit and when the sewer rates changed his bill doubled because it was considered a separate unit. He asked what the difference is between a residence with 2 bathrooms or a house with 1 bathroom and a mother-in-law unit with 1 bathroom.

Finance Director Woodcox explained that every residential unit is assigned an EDU (Equivalent Dwelling Unit).

Cindy Fisher commented that their sewer bill alone is \$139.00/month. She said the City made the statement that improving the water system will increase property values but no one will want to buy homes in Rio Dell with high utility bills.

Melissa Marks commented on a recent situation where the property owner has a single meter that serves multiple units and he had a huge leak and passed the charges onto the renters and asked if there are any laws that protect renters to make it more equitable in situations like this.

Thelma Maddox, owner of the Rio Dell Mobilehome Park stated that she has 1 main meter and get 1 bill from the City but has installed individual meters at each trailer space so her renters only pay for what they use. She said the first unit of water is included in the space rent and they are billed for excess usage exactly how the City bills.

Elizabeth Coleman-Johnson asked for clarification that staff would also be providing a breakdown of rates for the Dinsmore zone.

Steve Harrison, resident of the Dinsmore zone asked if he could get a chart of the rates. City Manager Knopp provided him with a rate sheet to show what the new proposed rate will be based on his average water usage.

Tom Joiner asked if a particular rate option had been selected.

Mayor Wilson explained that the Council has not yet voted on a rate option and the purpose of the meeting tonight is to listen to citizens' concerns and come back on September 22, 2015 and look at the various options and hopefully make a decision. He encouraged the citizens to participate in that meeting and present any additional questions or concerns and said the Council works for the citizens and invites their input.

Tom Joiner said he was confused about the 1.5% of the MHI which would take the water to \$56.00 and said none of the proposed rate structure options address a \$56.00 rate.

Finance Director Woodcox explained the average water usage is 5 units and under the current rates is \$37.88. Under the option 2 with a 75% fixed charge and 25% variable the rate will be \$61.83.

City Manager Knopp said it is important to understand that the majority of the water users are residential so there are no industrial users or private enterprise to help subsidize the rates. He noted that the City itself is essentially the largest user.

Tom Joiner pointed out that with that being said if the City wasn't using so much water the rates would go down.

Jack Hay commented that the City wants citizens to use less water because of the drought and in turn wants to increase the rates because they are not collecting enough revenue.

Dave Griffith questioned the accuracy of the water meters.

Water Superintendent Jensen responded that all new water meters were installed in 2003-2004 and although they have not been tested for accuracy as the parts wear down the chances are that they read a little slow which benefits the customers. He said the plan under the proposed CIP is to replace the meters.

Finance Director Woodcox reported there was a 6% overall decrease in water usage over the past year.

Dan Broyles stated that when he purchased his home it was connected to City water but also had an existing well and at that time he was told by the City that he was not allowed to activate it.

Water Superintendent Jensen explained that existing private wells can be activated provided the property owner installs a backflow protection device to avoid the possibility of any cross connection.

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Going back to the last page of the Questions & Answers sheet, staff proceeded by providing answers to the remaining questions. With regard to the Water Fund expenses, staff reported the FY 2015-2016 budget proposed \$859,000 in total water fund expenditures; \$678,000 for operations, \$136,000 for debt service, and \$45,000 for capital expenditures.

Finance Director Woodcox noted that regular reporting of expenditures will be presented to Council during regular Council meetings.

Betty Woodson asked if the City currently adds fluoride to the water and if so suggested it be eliminated as it is costly.

Staff responded that the water is not fluorinated.

Staff explained that water rate increases can be phased in over time provided the wording and language proposed in the Prop 218 process is clear.

Finance Director Woodcox said one of the questions asked was whether the new sewer rates are revenue neutral. She stated that the rates were revenue neutral in 2014 however because of the reduction in current water usage the revenue is down a little.

Joey Sancho asked how much the City planned on spending for a new vactor truck and said \$150,000 is a lot of money when the equipment can be rented.

Councilmember Johnson commented that the City's vactor is very old and unreliable and have been renting the equipment at approximately \$150.00/hr. He noted that public works spent probably 10 days last month working on broken water lines and would have used the vactor every one of those days. He said to rent the equipment for 10 days it cost around \$10,000 and what it comes down to is that either the City owns it or rents it and he personally would rather own it.

Joey Sancho commented that he would rather pay Dennis Wendt \$5,000/yr. to rent his vactor than spend \$150,000 on a vactor truck and said perhaps that should be eliminated from the CIP.

Mayor Wilson stated there are both pros and cons to renting versus owning equipment and that it should be addressed.

Billy Dillard stated that he understands the City wants to raise water rates in order to qualify for grant funding but there is no guarantee on getting the grant so if that is the case, the City will be in the same position in 5 years. He asked if the Council can guarantee to the public that the rates will not go up for 10 years. He then asked if the Council foresees a sewer rate increase.

Mayor Wilson addressed the issue of accountability.

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Finance Director Woodcox stated that sewer revenues are down and that the ordinance provides authority for the City Council to increase the rates to meet the revenue although the sewer fund is still in good shape financially in spite the drop in revenue.

Elizabeth Coleman-Johnson asked if Prop 218 controls sewer rate adjustments; staff responded that Prop 218 requirements do have to be followed.

An unidentified person referred to the PG&E CARE Program and asked if staff had done any research regarding such a program with regard to water rates. She also wanted to know what the numbers are in relation to property owners versus renters in the City.

Staff responded that the City will take a look at the CARE Program to see if a program like that is viable for the City and noted that the ratio between owners and renters is approximately 50-50.

Parker Hall asked how the protest vote process will work.

Staff explained that under the Prop 218 process, the record owner of each identified parcel must be notified and allowed to submit a protest vote and if the number of votes is above 50% then the rate change cannot move forward. He indicated that property owners will have 45 days from the date of the notice to respond.

Cindy Fisher asked if votes not mailed back count as a yes vote.

City Manager Knopp explained that it is protest vote so you basically only respond if you are protesting the increase so technically if a person does not send in a protest vote they are a yes vote.

Elizabeth Coleman-Johnson stated for clarification that anyone can simply write a letter and include their APN and/or address and it qualifies as a legal protest vote.

Joey Sancho asked why the City handles the voting process rather than the County Election Board.

Joe Enes asked who counts the votes and if they are public.

Cindy Fisher asked how many ballots will be mailed out and questioned how the State tells a city how to vote or how the votes are to be counted.

Mayor Wilson stated that it is state law.

Cindy Fisher asked how the voting process will be explained to citizens.

Randy Roberts again referred to the City Manager's salary and said at \$106,000 that means it is costing the City over a million dollars a year.

It was explained that the \$106,000 is his annual salary not monthly.

City Manager Knopp said it will be clear in the Prop 218 notice that is sent out that if you don't want the increase you can protest it and if more than 50% protest votes are received the rate increase cannot be implemented.

Mayor Wilson pointed out that the Council elected to send the yellow postcard out to all ratepayers rather than just to the owner of record as required by law so that everyone would have the opportunity to voice their concerns.

Pat said in essence aren't renters relying on owners to vote on their behalf.

Nick Angeloff asked for clarification that 1.5% of the MHI is \$52.66; staff confirmed that to be correct.

He said it seems that the goal is to get to a rate of \$52.66/month in order to get grants and capitalize the water system with the point being that the rates could essentially be phased in over time. He said he thinks the only viable option is to phase in the rates over a 5-year period and look at the information presented and do as much as possible for the residents but at the same time make sure that staff makes every effort to go after grants. He said the rates should be more attractive to encourage new business and keep existing businesses. He said the logic seems to be to do incremental increases and to pursue the idea of lowering the MHI and if it turns out that the MHI can't be changed then at the end of 5 years reassess the situation. He encouraged the Council to find a way to subsidize rates for seniors and low income residents as well as businesses.

Wally, a resident of Riverside Estates said he uses about 5 units of water and is charged \$37.88/month and questioned under Option 1 if his bill would then go to \$62.17/month or \$62.17 plus \$37.88.

Mayor Wilson explained the chart represents the total proposed rate under the various options and the 2 rates would not be added together.

There being no further public comment, the public hearing closed at 9:02 p.m.

Councilmember Thompson presented information on the Dinsmore zone and history of the Monument Springs and said the 2 pressure zones don't work for him because there is a big unknown with regard to the development of the Dinsmore Plateau Subdivision. He proposed to add a third pressure zone to the proposed rate structure. With his proposal, Pressure Zone 1

would include users off of the lower tanks and be billed a base charge for operations and the CIP; Dinsmore Subdivision and would be billed the base charge for operations and the CIP plus an additional cost to pump the water from the lower tank to the upper tank. He said upgrade to the Dinsmore subdivision would occur as the property is developed. Pressure Zone 3 would then include the Monument users and be billed a base operations charge, CIP and an additional cost to pump water from the lower tank to the upper tank and an additional charge for repairs to that system.

He further stated that under the proposed Dinsmore zone the Dinsmore subdivision developer would eventually be paying an assessment for Monument Springs users and has already paid a significant amount to increase the tank size for accommodate increase capacity.

He added that he doesn't feel any in-city water users should subsidize the out-of-city water users.

Mayor Wilson said this discussion would need to be brought back on at the September 22nd meeting if the Council is agreeable.

After further discussion the consensus of the Council was that Councilmember Thompson's proposal not be considered as part of the rate options.

Councilmember Johnson thanked the public for coming out and said he appreciates the input and said he hopes that it will help the Council make an informed decision on the rate structure.

Mayor Wilson asked if there were any further comments from the public.

Kaye Peak said the City has been repairs to the Old Ranch Road water line since 2013 and nothing has been done. She said it is a game changer each time they get together with the City. She said at the last meeting they were told that the City does not have legal right to fix the water line without having legal access. As such, she said she has a problem with what Councilmember Thompson is proposing because the City has been using the access to Old Ranch Road for years.

Councilmember Thompson commented that he was not addressing the issue of access but only the rate structure.

Kaye Peak asked the Council to consider the possibility that she could be without water because the access issue continues to be unresolved and she does not have the right to work on the line.

Elizabeth Coleman-Johnson stated that one of the water tanks was paid for by Jordan Phytilla, the former property owner of the Dinsmore Plateau and the other tank was paid for by the Monument residents. She said the information has been inadequately presented and questioned why the Council would want to break the rates into 3 pressure zones and make it much more difficult for the residents.

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Councilmember Thompson stated for clarification that she apparently misunderstood what he was proposing and that the Dinsmore zone would be renamed to Pressure zone 3 and Pressure zone 2 would include the Dinsmore Plateau. He said he is not proposing to change the rate structure.

Mayor Wilson stated that there is obviously more discussion needed on this subject at some point.

Councilmember Johnson thanked staff for putting together the presentation and the public for the valuable input.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp said he was pleased to announce that the City's Active Transportation Plan (ATP) grant application was tentatively approved with final approval by the California Transportation Commission on September 21, 2015.

ADJOURNMENT

Motion was made by Johnson/Thompson to adjourn the meeting at 9:22 p.m. to the September 22, Special meeting.

Frank Wilson, Mayor


Attest:


Karen Dunham, City Clerk



For Meeting of: September 22, 2015

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: September 16, 2015

Subject: Land Use Matrix .

Recommendation:

That the City Council:

1. Receive and file the Planning Commission's recommended Land Use Matrix;
2. Schedule a Joint Study Session with the Planning Commission for the meeting of October 6, 2015 at 5:30 pm to discuss the Land Use Matrix.
3. Review the Land Use Matrix prior to the meeting of October 6th and identify any concerns or recommendations the Council would like to discuss with the Planning Commission.

ATTACHMENTS:

Attachment 1: Planning Commission recommended Land Use Matrix.

Land Use Matrix

Planning Commission Recommendations September 3, 2015

N = Not Allowed; C = Conditionally Permitted; P = Principally Permitted

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
Adult Entertainment Note: Staff does not recommend that adult entertainment uses be allowed in the Town Center zone. It is staff's understanding that the City must allow adult entertainment uses somewhere within the City. Staff would recommend the Industrial Commercial zone.	N	N	N	N	N	N	N	N	N	C	N	N
Adult Day Care Facility <i>State-licensed facility that provides non-medical care and supervision for more than six adults for periods of less than 24 hours, with no overnight stays.</i>	C	C	C	C	C	N	N	N	N	N	N	N
Adult Day Care Home <i>Pursuant to definitions of state law, a home which provides supervision and non-medical care to six or fewer adults, including elderly persons, in the provider's own residence, on a less than 24-hour basis. Homes serving more than six adults are included in "Adult Day Care Facility".</i>	C	C	C	C	C	N	N	N	N	N	N	N
Agricultural Products Processing <i>The act of changing an agricultural crop, subsequent to harvest in order to prepare it and package it for market.</i>	N	N	N	N	N	N	N	N	P	C	N	N
Aggregate Resources Processing <i>Aggregate processing is the storing, crushing, washing, milling and screening, as well as the batching and blending of mineral aggregate into asphalt and concrete.</i>	N	N	N	N	N	N	N	N	C	N	N	N
Amusement Arcades <i>Establishments containing devices commonly known as pinball machines, video games, games of skill of whatever kind or nature, whether electronically activated or not.</i>	N	N	N	N	N	P	P	P	N	N	N	N

UR = Urban Residential; RM = Residential Multifamily; S = Suburban; SR = Suburban Residential; R = Rural

TC = Town Center; CC = Community Commercial; NC = Neighborhood Center

I = Industrial; IC = Industrial Commercial; NR = Natural Resources; PF = Public Facilities

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Animal Sales and Grooming (Pet Stores)</u> <i>Retail sales of domestic and/or exotic animals, bathing, grooming and trimming services conducted entirely within an enclosed building with no outdoor use.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Apartments on Upper Floors of Multistory Mixed-Use Buildings</u>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Appliance, Furniture and Furnishings Stores</u> <i>Stores engaged primarily in selling the following products and related services, including incidental repair services; draperies, floor coverings, furniture, glass and chinaware, home appliances, home furnishings, home sound systems, interior decorating materials and services, large musical instruments, including but not limited to pianos, cellos and harps, movable spas and hot tubs, office furniture, other household electrical and gas appliances, outdoor furniture refrigerators, etc.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Art, Antique Collectable Sales</u> <i>Antique shops, art galleries, curio, gift and souvenir shops and the sales of collectible items including sport cards, coins, stamps and comic books.</i> Note: The Planning Commission's recommendation is to encourage art galleries and antique/collectable shops in the Town Center.	N	N	N	N	N	P	C	C	N	N	N	N
<u>Artisan Shops</u> <i>Retail stores selling art, glass, ceramics, jewelry, weaving, quilts and other handcrafted items.</i> Note: The Planning Commission's recommendation is to encourage artisan shops in the Town Center.	N	N	N	N	N	P	C	C	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Artisan/Craft Product Manufacturing</u> <i>Establishments manufacturing and/or assembling products primarily by hand, including jewelry, pottery and other ceramics, as well as glass and metal art and craft products.</i> Note: The Planning Commission's recommendation is to encourage artisan craft manufacturing in the Town Center.	N	N	N	N	N	P	C	C	N	N	N	N
<u>Automobile Washing and Detailing</u> <i>Permanent, drive-through, self service and/or attended car washing establishments, including fully mechanized facilities. May include detailing services.</i>	N	N	N	N	N	C	P	P	N	N	N	N
<u>Automobile/Vehicle Detailing</u> <i>Establishments providing automobiles, trucks (non-commercial), boats and recreational vehicle cleaning, waxing, polishing, interior cleaning/vacuuming etc. services.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Automobile Gas Stations, including charging stations, without vehicle service</u> <i>A retail business selling gasoline and/or other motor vehicle fuels and related part, fluids and accessories.</i>	N	N	N	N	N	C	P	P	N	P	N	N
<u>Automobile Gas Stations, including charging stations, with minor vehicle service</u> <i>A retail business selling gasoline and/or other motor vehicle fuels and related part, fluids and accessories.</i>	N	N	N	N	N	C	P	P	N	P	N	N
<u>Automobile and Vehicle Sales/Rentals</u> <i>Retail establishments selling and/or renting automobiles, trucks, vans, motorcycles, recreation vehicles and/or boats. May also include repair shops and the sales of parts and accessories incidental to the vehicle dealership.</i>	N	N	N	N	N	C	P	C	N	P	N	N
<u>Automobile and Vehicle Services, Major Repair/Body Work</u> <i>Establishments providing general repair, rebuilding, reconditioning, removal and replacement of engines, transmissions, drive-trains, collision repair including body, frame or fender straightening of automobiles, trucks, boats, recreational vehicles, etc.</i>	N	N	N	N	N	N	N	N	P	C	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Automobile and Vehicle Services. Maintenance and Minor Repair</u> <i>Establishments providing the adjustment, replacement or maintenance of parts, including tires, brakes, headlights, oil changes, alignments, tune-ups, etc. It shall not include complete engine or transmission replacement or rebuilding, body and frame repairs or painting.</i>	N	N	N	N	N	C	C	C	N	N	N	N
<u>Banks and Financial Services</u> <i>Financial institutions including: banks, credit unions trust companies, lending and thrift institutions, other investment companies and securities/commodity contract brokers.</i>	N	N	N	N	N	P	P	P	N	C	N	N
<u>Bars and Nightclubs</u> <i>Any bar, cocktail lounge, discotheque, or similar establishment, which may also provide live entertainment (music and/or dancing, comedy, etc.) in conjunction with alcoholic beverage sales. These facilities do not include bars that are part of a larger restaurant. Includes bars, taverns, pubs, and similar establishments where any food service is subordinate to the sale of alcoholic beverages. May also include the brewing of beer as part of a brew pub or micro-brewery.</i>	N	N	N	N	N	P	P	C	N	N	N	N
<u>Bed and Breakfast Inn</u> <i>Residential structures with one family in permanent single-family residence with not more than four (4) bedrooms rented for overnight lodging, and may only serve food to its registered guests. The food service is restricted to breakfast or a similar early morning meal, and light food or snacks. The price of food must be included in the price of the overnight accommodation.</i>	C	N	C	P	P	C	N	N	N	N	N	N
<u>Boarding and Rooming Houses</u> <i>A dwelling or part thereof with one family in permanent residence, with not more than three rented bedrooms and where meals or meals and lodging are provided for compensation.</i>	P	N	P	P	P	N	N	N	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Building Materials Stores and Yards</u> Retail establishments selling lumber and other large building materials, where most display and sales occur indoors. (Includes paint, wallpaper, glass and fixtures.) Includes stores selling to the general public, even if contractor sales account for a major proportion of total sales. Includes incidental retail ready-mix concrete operations, except where excluded by a specific zoning district. Establishments primarily selling electrical, plumbing, heating and air conditioning equipment and supplies are classified in "Wholesaling and Distribution." Hardware stores are listed in the definition of "General Retail Stores", even if they sell some building materials, as long as there is no outdoor lumberyard.	N	N	N	N	N	N	P	C	N	P	N	N
<u>Business Support Services</u> Establishments primarily within buildings, providing other businesses with services including maintenance, repair and service, testing, rental, etc., also includes: blueprinting business; equipment repair services (except vehicle repair, see "Vehicle Services"); commercial art and design (production); computer-related services (rental, repair); copying, quick printing, and blueprinting services (other than those defined as "Printing and Publishing"); equipment rental businesses within buildings (rental yards are "Storage Yards"); film processing laboratories; heavy equipment repair services where repair occurs on the client site; janitorial services; mail advertising services (reproduction and shipping); mail box services; other "heavy service" business services; outdoor advertising services; photocopying and photofinishing; protective services (other than office related); soils and materials testing laboratories; window cleaning.	N	N	N	N	N	P	P	P	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Café/Specialty Shop</u> <i>A retail business selling ready-to-eat food and/or beverages for on- or off-premise consumption as well as offering specialty food and beverage products in a distinct category of merchandise generally not prepared for immediate consumption, such as seafood or meat, imported ethnic products, wine, or other specialty foods. This use is distinct from other food or beverage stores in that the type or selection of products offered is not readily available at a convenience market, liquor store, or grocery store.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Caretaker Housing</u> <i>A residence that is accessory to a non-residential primary use of the site, where needed for security, 24-hour care or supervision, or monitoring of facility, equipment, or other conditions on the site.</i>	N	N	N	N	N	C	C	C	P	P	N	C
<u>Caterers</u> <i>Preparation and delivery of food and beverages for off-site consumption without provision for on-site pickup or consumption.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Cemeteries, Mausoleums</u> <i>Land used for the burial of the dead, and dedicated for cemetery purposes, including crematories, columbariums and mausoleums. Also see "Funeral Homes and Mortuaries".</i>	N	N	N	C	C	N	N	N	N	N	C	N
<u>Civic Center</u> <i>A prominent land area that allows for a government facility which may include a Police and/or Fire Station, City Hall, parking facilities and incidental community centers.</i>	N	N	N	N	N	N	N	N	N	N	N	P

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Clubs, Lodges and Meeting Halls</u> <i>Permanent, head-quarters-type and meeting facility for organizations operating on a membership basis for the promotion of the interests of the members, including a facility for: business associations; civic, social and fraternal organizations; labor unions and similar organizations; political organizations; professional membership organizations, and/or other membership organizations.</i> Note: Use type was listed under Civic Uses and Cultural Organizations.	C	N	C	C	C	C	N	C	N	N	N	N
<u>Coffee House</u> <i>An establishment providing coffee, tea, smoothies, etc as well as light snacks, ranging from baked goods to soups and sandwiches, other casual meals and light desserts.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Contractors Storage Yards</u> <i>Storage yards for contractor's equipment and supplies.</i>	N	N	N	N	N	N	N	N	P	C	N	N
<u>Convenience Stores</u> <i>Easy access retail stores of 5,000 square feet or less in gross floor area, which carry a range of merchandise oriented to convenience and travelers' shopping needs. These stores may be a part of a service stations or an independent facility. Also see "Neighborhood Market" and "Grocery Store/Supermarket" for larger stores or stores oriented towards the daily shopping needs of residents.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Emergency Shelter</u> <i>Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person, which does not deny emergency shelter because of an inability to pay.</i>	N	P	N	N	N	N	N	N	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Equestrian Facilities, Commercial</u> <i>A commercial horse, donkey pony and/or mule facility including horse ranches, boarding stables, riding schools and academies, horse exhibition facilities (for shows or other competitive events), pack stations and barns, corrals and paddocks accessory and incidental to these uses.</i>	C	N	C	C	C	N	N	N	N	N	N	N
<u>Equestrian Facility, Hobby</u> <i>Stables, corrals, paddocks used by the individual residents of related property and their animals.</i>	P	P	P	P	P	N	N	N	N	N	N	N
<u>Equipment Sales and Rental</u> <i>Service establishments with outdoor storage/rental yards, which may offer a wide variety of materials and equipment for rental, including construction equipment, party supplies (tents, tables, chairs, etc.)</i>	N	N	N	N	N	N	P	P	N	P	N	N
<u>Family Day Care Center</u> <i>Family Day Care Center refers to any facility which provides, to more than twelve (12) persons, non-medical care or personal services, supervisions or assistance essential for sustaining the activities of daily living or for the protection of the individual on a less than 24 hour basis. Such Day Care Centers are a residential use of the property. A Conditional Use Permit (CUP) shall be required for the establishment of such a center. See also "Community Care Facility" and "Family Day Care Home".</i>	C	C	C	C	C	N	N	N	N	N	N	N
<u>Family Day Care Home</u> <i>Family Day Care Home refers to any facility which provides, to twelve (12) or fewer children (including children who reside at the home), non-medical care, personal services, supervision or assistance for sustaining the activities of daily living or for the protection of the individual on a less than 24 hour basis. See also "Community Care Facility" and "Family Day Care Center".</i>	P	P	P	P	P	N	N	N	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Funeral Homes and Mortuaries</u> <i>Funeral homes and parlors where the deceased are prepared for burial or cremation and in which funeral services may occur.</i>	N	N	N	N	N	N	N	C	N	N	N	N
<u>Furniture and Fixtures Manufacturing, Cabinet Shops</u> <i>Manufacturers producing household furniture, office furniture and partitions, shelving, store furniture, cabinets, drapery hardware, window blinds and shades, countertops.</i> Note: Due to the limited amount of commercial property within the City, staff recommends that this use type be limited to the Industrial (I) and Industrial Commercial (IC) zones as principally permitted uses.	N	N	N	N	N	N	N	N	P	C	N	N
<u>Garden Center/Plant Nursery</u> <i>Establishments providing for the cultivation and sale of ornamental trees, shrubs and plants, including the sale of garden and landscape materials (packaged and/or bulk sale of unpackaged materials) and equipment, including but not limited to lawn mowers, tillers and edgers, shovels, hoes, rakes, hoses, wheelbarrows, etc.</i>	N	N	N	N	N	N	P	P	N	P	N	N
<u>Grocery Stores – Supermarkets</u> <i>A retail business where the majority of the floor area open to the public is occupied by food products packaged for the preparation and consumption away from the site of the store. These full service businesses do not typically have limited hours of operation. See separate but related listings for “Neighborhood Market” and Convenience Store”.</i>	N	N	N	N	N	C	P	C	N	C	N	N
<u>Hostel</u> <i>Hostels provide budget-oriented, sociable accommodation where guests can rent a bed, usually a bunk bed, in a dormitory and share a bathroom, lounge and sometimes a kitchen. Rooms can be mixed or single-sex, although private rooms may also be available</i>	N	N	N	N	N	C	N	N	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Hotels and Motels</u> <i>Facilities with guest rooms or suites provided with or without a kitchen facility, rented to the general public for transient lodging (less than 30 days). Generally, hotels provide access to most guest rooms from an interior hallway or hallway and typically include a variety of services in addition to lodging; for example restaurants, meeting facilities, personal services, etc. Generally motels provide access to most guest rooms from an exterior walkway</i>	N	N	N	N	N	C	P	N	N	C	N	N
<u>Indoor Amusement/Entertainment Facility</u> <i>Establishments providing indoor amusement and entertainment services for a fee or admission charge, including; dance halls and ballrooms and electronic game arcades, as stand-alone uses. Four or more electronic games or coin-operated amusements in any establishment, or a premise where 50 percent or more of the floor area is occupied by amusement devices, are considered an electronic game arcade as described above.</i>	N	N	N	N	N	P	P	C	N	P	N	N
<u>Indoor Sports and Recreation Facility</u> <i>Predominantly participant sports and health activities conducted entirely within an enclosed building, with the exclusion of secondary uses such as a outdoor spa, pool, basketball court or tennis court. Typical uses include bowling alley, billiard parlor, ice/roller skating rinks, indoor racquetball courts, indoor climbing facilities, indoor soccer fields, athletic clubs and health clubs. Also see Outdoor Commercial Recreation for spectator venues and uses.</i>	N	N	N	N	N	P	P	C	N	P	N	N
<u>Kennels, Commercial</u> <i>Facility for the keeping, boarding and/or maintaining of 5 or more dogs, or 5 or more cats. This definition does not include animals for sale in pet shops, or patients in animal hospitals. This definition includes a kennel where the animals are kept for commercial purposes, including boarding, breeding, buying, selling, renting, exhibiting, or training. Does not include a veterinary facility, pet shop, or animal shelter.</i>	N	N	N	N	C	N	N	N	C	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Kennels, Hobby</u> Facility for the keeping, boarding and/or maintaining of 5 or more dogs (4 months of age or older), or 5 or more cats when the animals are owned or kept by an occupant for personal, non-commercial purposes including: hunting, tracking, exhibiting at shows, exhibitions, field trials or other competitions, enhancing or perpetuating a given breed. This definition does not apply to non-domestic animals used in conjunction with an agricultural operation.	C	C	C	C	C	N	N	N	N	N	P	N
<u>Laundries and Dry Cleaning Plants</u> Service establishments engaged primarily in high volume laundry and garment services, including: laundries; garment pressing and dry cleaning; linen supply; diaper service; industrial laundries; and on-site carpet and upholstery cleaners. Does not include coin-operated laundries or dry cleaning pick-up stores without dry cleaning equipment. (see "Personal Services").	N	N	N	N	N	N	N	N	P	N	N	N
<u>Live-Work Units</u> Means an integral working space and residential space occupied within a single unit or multi-unit structure that has been designed or structurally modified to accommodate joint residential occupancy and work activity and which: (a) is regularly used for such purposes by one or more persons residing in the unit; (b) includes complete kitchen space and sanitary facilities in compliance with the building code; (c) allows employees with associated required amenities as consistent with the building code; and (d) includes working space reserved and regularly used by one or more occupants of the unit.	N	N	N	N	N	P	N	C	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Lumber and Wood Product Manufacturing</u> <i>Manufacturing, processing, and sales uses involving the milling of new or used forest products to produce rough and finished lumber and other wood materials for use in other manufacturing, craft, or construction processes. Includes the following processes and products: containers, pallets and skids, milling operations, trusses and structural beams, turning and shaping of wood products, wholesaling of basic wood products, and wood product assembly. Craft-type shops are included in "Handcraft Industries and Small Scale Manufacturing." Other wood and cabinet shops are included under "Furniture and Fixture Manufacturing." The indoor retail sale of building materials, construction tools and equipment is included under cabinet shops under "Building Materials Stores and Yards."</i>	N	N	N	N	N	N	N	N	P	N	N	N
<u>Machinery Manufacturing</u> <i>The manufacturing of machinery and equipment used: for the manufacturing of other products; as parts in the assembly of other products; and for end-use purposes, including the following: construction equipment, conveyors, cranes, die casting, dies, dredging, engines and turbines, farming and gardening, food products manufacturing, gear cutting, heating, ventilation, air conditioning, industrial trucks and tractors, industrial furnaces and ovens, industrial molds, laundry and dry cleaning, materials handling, mining, oil field equipment, paper manufacturing, passenger and freight elevators, pistons, printing, pumps, refrigeration equipment, textile manufacturing.</i>	N	N	N	N	N	N	N	N	P	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Maintenance and Repair, Large Equipment</u> <i>Establishments providing on-site repair and accessory sales of supplies for industrial and/or agricultural machines conducted entirely within an enclosed building. This classification includes maintenance, repair, and overhauling of light and heavy vehicles and equipment such as fire engines and pump systems, fire trucks including large trailer aerial ladder trucks, gang mowers, aerial work platforms, and construction equipment such as loaders, graders, dump trucks, back hoes, asphalt trucks, trailers, rollers, street sweepers, air compressors, and off road equipment.</i>	N	N	N	N	N	N	N	N	P	N	N	N
<u>Maintenance and Repair, Small Equipment</u> <i>Establishments providing on-site repair and accessory sales of supplies for appliances, office machines, home electronic/mechanical equipment, bicycles, tools, or garden equipment, conducted entirely within an enclosed building. This classification does not include maintenance and repair of vehicles.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Medical Services – Clinics, Offices, and Laboratories</u> <i>A facility primarily engaged in furnishing outpatient medical, mental health, surgical and other personal health services, but which are separate from hospitals, including: medical and dental laboratories, medical, dental and psychiatric offices, out-patient care facilities, and other allied health services. Counseling services by other than medical doctors or psychiatrists are included under "Offices."</i>	N	C	N	N	N	P	P	P	N	N	N	N
<u>Medical Services – Extended Care</u> <i>A residential facility providing nursing and health related care as a primary use with in-patient beds, such as: board and care homes; convalescent and rest homes; extended care facilities; skilled nursing facilities; and rehabilitation facilities. Long-term personal care facilities that do not emphasize medical treatment are included under "Residential Care Homes."</i>	C	C	C	C	C	N	C	C	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Medical Services – Hospitals</u> <i>Hospitals and similar facilities engaged primarily in providing diagnostic services, and extensive medical treatment, including surgical and other hospital services. These establishments have an organized medical staff, inpatient beds, and equipment and facilities to provide complete health care. May include on-site accessory clinics and laboratories, accessory retail uses and emergency heliports (see the separate definition of "Accessory Retail Uses"). Does not include "Ambulance Services", which are defined separately.</i>	N	N	N	N	N	N	C	N	N	N	N	N
<u>Metal Products Fabrication, Machine/Welding Shops</u> <i>Establishments engaged primarily in the assembly of metal parts, including the following uses that produce metal duct work, tanks, towers, cabinets and enclosures, metal doors and gates, and similar products, blacksmith and welding shops, sheet metal shops, machine shops and boiler shops.</i>	N	N	N	N	N	N	N	N	P	N	N	N
<u>Metal Products Manufacturing</u> <i>Manufacturing establishments engaged in the smelting and refining of ferrous and nonferrous metals from ore, pig, or scrap; in the rolling, drawing, and alloying of ferrous and nonferrous metals; in the manufacture of castings, forgings, stampings, extrusions and other basic products of ferrous and nonferrous metals; and in the manufacture of nails, spikes, and insulated wire and cable.</i>	N	N	N	N	N	N	N	N	P	N	N	N
<u>Miniature Golf Courses (Indoor & Outdoor)</u> <i>A facility that provides on-site commercial entertainment in the form of a novelty version of golf played with a putter and golf ball on a miniature course and featuring obstacles such as alleys, bridges, and tunnels.</i>	N	N	N	N	N	P	P	C	N	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Museums</u> <i>A public or quasi-public institution of a non-commercial nature that procures, cares for, studies and displays objects of lasting interest or value. Examples of museums include art and historical museums, aquariums, planetariums, botanical gardens. Arboretums and historical sites and exhibits.</i>	N	N	N	N	N	P	P	N	N	N	N	P
<u>Neighborhood Market</u> <i>A pedestrian oriented grocery/specialty market store offering food products packages for the preparation and consumption away from the site of the store and oriented to the daily shopping needs of surrounding residential areas. Neighborhood markets are less than 15,000 square feet in size and operate less than 18 hours per day. For larger stores, see "Grocery Store/Supermarket". Neighborhood markets may include deli or beverage tasting facilities that are ancillary to the market/grocery portion of the use.</i>	N	N	N	N	N	P	N	P	N	N	N	N
<u>Offices, Accessory</u> <i>Offices that are incidental and accessory to a primary business, allowed as part of an approved primary use.</i>	N	N	N	N	N	P	P	P	P	P	N	N
<u>Offices, Business and Professional</u> <i>Offices of finance businesses providing direct services to consumers (companies, utility companies, etc.), government agency and service facilities (post office, civic center, etc.), professional offices (accounting, legal, employment, public relations, insurance, real estate, etc.), and offices engaged in the production of intellectual property (advertising, architectural, computer programming, photography studios, etc.). These do not include: medical offices (see "Medical Services – Clinics, Offices and Laboratories"); temporary offices (see "Offices, Temporary"), or offices that are incidental and accessory to another business that is the primary use (see "Offices, Accessory").</i>	N	N	N	N	N	P	C	P	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Offices, Temporary</u> <i>A mobilehome, recreation vehicle or modular unit used as a temporary office facility. Temporary Offices may include: construction supervision offices on a construction site or off-site construction yard; a temporary on-site real estate office for a development project; or a temporary business office in advance of permanent facility construction.</i>	P	P	P	P	P	P	P	P	P	P	P	P
<u>Outdoor Commercial Recreation</u> <i>Facility for various outdoor participant sports and types of recreation where a fee is charged for use, including: amphitheaters, amusement and theme parks, golf courses and driving ranges, health and athletic club outdoor facilities, BMX parks, motocross tracks, skateboard parks, stadiums and colseums, swimming pools and water parks, tennis clubs, tennis courts and zoos.</i>	C	C	C	C	C	C	C	C	C	C	C	C
<u>Paper Product Manufacturing</u> <i>The manufacture of paper and paperboard, from both raw and recycled materials, and their conversion into products including paper bags, boxes, envelopes, wallpaper, etc.</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Paving/Roofing Material Manufacturing</u> <i>The manufacture of various common paving and petroleum-based roofing materials, including bulk asphalt, paving blocks made of asphalt, creosote wood and various compositions of asphalt and tar. The manufacture of wood roofing materials (shingles, shakes, etc.) is included under "Lumber and Wood Product Manufacturing."</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Pawn Shops</u> <i>Means a building or portion thereof where personal property is received and for which money is advanced, with the right of privilege granted to the person to whom said money is advanced to reclaim such property upon repayment of said money, together with all legal charges incident thereto.</i>	N	N	N	N	N	C	C	N	N	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Personal Services</u> <i>A use that provides personal service that is non-medical and include accessory retail sales of products related to the services that are provided. Examples of personal services include, but are not limited to the following: barber and beauty shops, nail salons, massage establishments, day spas, tattoo and piercing shops, clothing and costume rental, dry cleaning pick-up stores, shoe repair shops and tailors.</i>	N	N	N	N	N	P	P	P	N	N	N	N
<u>Plastics, Synthetics, Rubber Products Manufacturing</u> <i>The manufacture of rubber products including: tires, rubber footwear including heels and soles, mechanical rubber goods, flooring, and other rubber products from natural, synthetic or reclaimed rubber, molding primary plastics for other manufacturers, manufacturing miscellaneous finished plastics products, and fiberglass manufacturing and fiberglass application services. Establishments engaged primarily in recapping and retreading automobile tires are classified in "Vehicle Services - Major Repair/Body Work."</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Printing and Publishing</u> <i>Establishments engaged in printing by letterpress, lithography, gravure, screen, offset, or electrostatic (xerographic) copying; and other establishments serving the printing trade including bookbinding, typesetting, engraving, photoengraving, and electrotyping. This use also includes establishments that publish newspapers, books and periodicals; establishments manufacturing business forms and binding devices. Does not include "quick printing" services or desktop publishing which are included in Business Support Services.</i>	N	N	N	N	N	N	N	N	P	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Recycling Facility, Large Collection Facility</u> <i>A recycling facility used for the acceptance by donation, redemption, or purchase of recyclable materials from the public that occupies more than 500 square feet and includes permanent structures, does not use power driven processing equipment except for compacting, bailing, plastic shredding, and other activities necessary for efficient temporary storage and material shipment.</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Recycling Facility, Processing Facility</u> <i>A recycling facility located in a building or enclosed space and used for the collection and processing of recyclable materials. Processing means the preparation of material for efficient shipment to an end-user's specifications by such means as baling, briquetting, compacting, flattening, grinding, crushing, mechanical sorting, shredding, cleaning and remanufacturing.</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Recycling Facility, Reverse Vending Machine</u> <i>An automated mechanical device that accepts one or more types of empty beverage containers, including but not limited to, aluminum cans, glass bottles, plastic bottles, and uses a cash refund or redeemable credit clip with a value of not less than the container's redemption value as determined by the State.</i>	N	N	N	N	N	C ¹	C ¹	C ¹	P	N	N	N
<u>Recycling Facility, Scrap and Dismantling Facility</u> <i>Uses engaged in the assembling, breaking up, sorting, temporary storage and distributions of recyclable or reusable scrap and waste materials, including the dismantling or wrecking of automobiles or other motor vehicles, or the storage or keeping for sale of parts and equipment resulting from such dismantling or wrecking. The presence on any lot or parcel of land of five or more inoperable vehicles from which parts have been or are to be removed for reuse or sale shall constitute prima facie evidence of an automobile wrecking yard. This use does not include landfills or other terminal waste disposal site.</i>	N	N	N	N	N	N	N	N	C	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Recycling Facility, Small Collection Facility</u> <i>A recycling facility used for the acceptance by donation, redemption or purchase of recyclable materials from the public that does not occupy more than 500 square feet. This classification may include a mobile unit, kiosk-type units that may include permanent structures and unattended containers placed for the donation of recyclable materials.</i>	N	N	N	N	N	N	C	C	P	C	N	P
<u>Religious Institutions</u> <i>Facility operated by religious organizations for worship, or the promotion of religious activities, including churches, mosques, synagogues, temples, etc. and accessory uses on the same site, such as living quarters for clergy and staff, and child day care facilities.</i>	C	C	C	C	C	N	N	N	N	N	N	N
<u>Renewable Energy Development (i.e. commercial development, generation and sales of solar, wind energy.)</u> <i>A system or network generating energy that is derived from resources that are regenerative or for all practical purposes cannot be depleted.</i>	N	N	N	N	N	N	N	N	P	N	C	P
<u>Research and Development</u> <i>Indoor facilities for scientific research, and the design, development and testing of electrical, electronic, magnetic, optical and mechanical components in advance of product manufacturing, that are not associated with a manufacturing facility on the same site. Includes chemical and biotechnology research and development. Does not include computer software companies (see "Offices -- Business and Professional"), soils and other materials testing laboratories (see "Business Support Services") or medical laboratories (see "Medical Services -- Clinics, Offices, and Laboratories").</i>	N	N	N	N	N	C	C	C	P	N	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Residential Care Facility</u> Consistent with the definitions of State law, a residential care facility is a facility that provides 24-hour non-medical care for more than six persons 18 years of age or older, or emancipated minors, with chronic, life-threatening illness in need of personal services, protection, supervision, assistance, guidance, or training essential for sustaining the activities of daily living, or for the protection of the individual. This classification includes group homes, residential care facilities for the elderly, adult residential facilities, juvenile court residential facilities, and other facilities licensed by the State of California. Convalescent homes, nursing homes and similar facilities providing medical care are included under the definition of "Medical Services - Extended Care."	C	C	C	C	C	N	N	C	N	N	N	N
<u>Residential Care Home, Small</u> Consistent with the definitions of State law, a residential care home is a home that provides 24-hour non-medical care for six or fewer persons 18 years of age or older, or emancipated minors, with chronic, life-threatening illness in need of personal services, protection, supervision, assistance, guidance, or training essential for sustaining the activities of daily living, or for the protection of the individual. This classification includes group homes, rest homes, residential care facilities for the elderly, adult residential, juvenile court residential facilities, and other facilities licensed by the State of California. Convalescent homes, nursing homes and similar facilities providing medical care are included under the definition of "Medical Services - Extended Care."	P	P	P	P	P	N	N	N	N	N	N	N
<u>Restaurants</u> A retail business selling food and beverages prepared on the site, for on- or off-premise consumption. These include eating establishments where customers are served from a walk-up ordering counter for either on- or off-premise consumption, and establishments where most customers are served food at tables for on-premise consumption, but may include providing food for take-out. Also includes coffee houses.	N	N	N	N	N	P	P	P	N	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Restaurants, Fast Food/Drive-In</u> <i>A restaurant that provides both sit down and take out service and has at least 2 of the following characteristics:</i> (A) Food to be consumed on the premises is served with non-reusable tableware, (B) Food is not delivered to the table, (C) Orders are placed at a counter, (D) Orders are placed at a drive through and/or walk up window.	N	N	N	N	N	P	P	P	N	P	N	N
<u>Restaurants and Appurtenant Licensed Premises (Bars)</u> <i>A restaurant with a valid Alcohol Beverage license that sells alcoholic drinks along with preparing and serving food. Also includes restaurants with breweries, subordinate to the restaurant use, that operate for the production of on-site consumption.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Restaurants, with or without Appurtenant Licensed Premises (Bars) and Live Entertainment</u> <i>A restaurant that includes live entertainment.</i>	N	N	N	N	N	P	P	C	N	C	N	N
<u>Restaurants, With Outdoor Dining</u> <i>A restaurant where tables and seating are provided and food and/or beverages are served in outdoor areas. (Also see Restaurants and Appurtenant Licensed Premises (Bars)).</i>	N	N	N	N	N	P ²	P ²	P ²	N	P	N	N
<u>Restaurants, Take-Out</u> <i>A restaurant where food is prepared on-site for off-site consumption, other than those deemed to be fast food restaurants.</i>	N	N	N	N	N	P	P	P	N	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Retail, Accessory</u> <i>The retail sales of various products (including food service) in a store or similar facility that is located within a health care facility, hotel, office, institutional or industrial complex. These uses include pharmacies, gift shops, and food service establishments within hospitals; convenience stores and food service establishments within hotel, office and industrial complexes.</i>	N	N	N	N	N	P	P	P	P	P	N	N
<u>Retail, General</u> <i>Stores and shops selling multiple lines of merchandise including, but not limited to, artists' supplies, audio/video stores, bakeries (all production in support of on-site sales), bicycle sales, repairs and rentals, books, cameras and photographic supplies, clothing and accessories, collectibles (cards, coins, comics, stamps, etc.), department stores, drug and discount stores, dry goods, fabrics and sewing supplies, florist and houseplant stores (indoor sales only, outdoor sales are "Plant Nurseries"), furniture, home furnishings and equipment, general stores, gift and souvenir shops, hardware, hobby materials, jewelry, luggage and leather goods, musical instruments, newsstands, shoe stores and orthopedic supplies, pet supplies, religious goods, specialty shops, sporting goods, stationary, toys and games, variety stores and video rental stores.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Service Stations, With Vehicle Service</u> <i>A retail business selling gasoline and/or other motor vehicle fuels, which may also provide services which are incidental to fuel services. These secondary services may include vehicle engine maintenance and repair, towing and trailer rental services and the sale of limited vehicle parts/fluids and accessories. Does not include the storage or repair of wrecked or abandoned vehicles, vehicle painting, body or fender work, or the rental of vehicle storage or parking spaces.</i>	N	N	N	N	N	C	C	C	N	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Service Stations, Without Vehicle Service</u> <i>A retail business selling gasoline and/or other motor vehicle fuels and related parts, fluids and/or accessories.</i>	N	N	N	N	N	P	P	P	N	P	N	N
<u>Storage Public Enclosed (Mini Storage)</u> <i>A building or group of buildings containing one or more rooms in which goods are stored or kept, normally unrelated or incidental to a business or commercial enterprise, and where access to the individual storage room or space is available to the tenant or lessee. Also known as mini-storage warehouses.</i>	N	N	N	N	N	C ³	C ³	C ³	P	N	N	N
<u>Storage Warehouses – Private</u> <i>A building or group of buildings containing one or more rooms in which merchandise or commodities are stored and kept, typically associated with retail sales and where access to the content of the storage room or space is restricted to the owner of the merchandise or commodities and/or their employees.</i>	N	N	N	N	N	N	N	N	C	N	N	N
<u>Telecommunication Facilities</u> <i>Facility designed and/or used for the purpose of transmitting, receiving, or relaying voice and/or data signals from various wireless communication devices, including transmission tower, antenna, and or other facility designed or used for that purpose. Amateur radio transmission facilities, facilities operated exclusively as part of a public safety network, and facilities used exclusively for the transmission of television and/or radio broadcasts are not "telecommunication facilities".</i>	N	N	N	N	N	N	N	N	C	C	C	C

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Textile and Leather Product Manufacturing</u> Manufacturing establishments engaged in performing any of the following operations: coating, waterproofing, or otherwise treating fabric, dyeing and finishing fiber, yarn, fabric, and knit apparel, manufacture of knit apparel and other finished products from yarn, manufacture of felt goods, lace goods, non-woven fabrics and miscellaneous textiles, manufacturing of woven fabric, carpets and rugs from yarn, preparation of fiber and subsequent manufacturing of yarn, threads, braids, twine cordage, and upholstery manufacturing.	N	N	N	N	N	N	N	N	P	N	N	N
<u>Theaters and Auditoriums</u> Indoor facilities for public assembly and group entertainment, other than sporting events, including: civic theaters, and facilities for "live" theater and concerts, exhibition and convention halls, motion picture theaters, public and semi-public auditoriums, similar public assembly uses. Does not include outdoor theaters, concert and similar entertainment facilities, and indoor and outdoor facilities for sporting events; see "Outdoor Commercial Recreation."	N	N	N	N	N	P	P	P	N	P	N	N
<u>Veterinary Facility</u> Veterinary facility that is primarily enclosed, containing only enough cage arrangements as necessary to provide services for domestic and exotic animals requiring acute medical or surgical care with accessory outdoor use that provides long term medical care. Grooming and boarding of animals is allowed only if accessory to the facility primary use.	N	N	N	N	N	N	C	C	N	C	C	N
<u>Warehouse/Retail</u> Retail stores that emphasize the packaging and sale of products in large quantities or volumes, some at discounted prices. Sites and buildings are usually large and industrial in character. Patrons may be required to pay membership fees.	N	N	N	N	N	N	P	N	N	P	N	N

Use Type	UR	RM	S	SR	R	TC	CC	NC	I	IC	NR	PF
<u>Wholesaling and Distribution</u> <i>Establishments engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. Includes such establishments as: agents, merchandise or commodity brokers, and commission merchants, assemblers, buyers and associations engaged in the cooperative marketing of farm products, merchant wholesalers, and stores primarily selling electrical, plumbing, heating and air conditioning supplies and equipment.</i>	N	N	N	N	N	N	N	N	P	C	N	N

Notes:


1. Permitted only as an accessory use to the primary use of the property.
2. Outdoor dining on public sidewalks requires an Encroachment Permit and must maintain a three (3) foot travelway.
3. Use must sited on the rear half of the lot and so as not preclude principally permitted uses.

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September 22, 2015

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Receive Presentation on Community Choice Aggregation Related to Delivery of Electrical Utilities

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive the Presentation

BACKGROUND AND DISCUSSION

Community Choice Aggregation (CCA), also known as community choice energy, is a statute, adopted through Assembly Bill 117, which allows cities, counties or joint powers agencies to purchase and or generate electricity and other necessary electrical services on behalf of the customers in their territories. The City was approached by Redwood Coast Energy Authority (RCEA) to provide a presentation on the concept, why the City of Rio Dell may want to participate, and where RCEA is on this topic today.

CCA's enabling legislation requires that investor owned utilities such as Pacific Gas & Electric (PG&E) cooperate with local governments who implement CCA's by providing electricity delivery over its existing distribution system providing customer metering, billing, collection and all traditional retail customer services (i.e., call centers, outage restoration, extension of new service). Under a CCA program, customers would have a choice to buy electricity from PG&E or the CCA.

Other areas a CCA program could produce change for Rio Dell include:

- Potential for more local energy programs and projects.
- Potential competition between electrical service providers.
- New potential revenues for the City.


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September 22, 2015

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Discussion and Possible Action Related to Adjustment of the Water Rates and Proposition 218 Noticing Process

IT IS RECOMMENDED THAT THE CITY COUNCIL:

- 1.) Move to adopt a rate option (staff recommends Option 2)
- 2.) Direct staff to proceed with Proposition 218 process (45 day public noticing period) to adjust the water rates.

"I move to adopt Rate Option Number 2 and direct staff to proceed with the required 45 day noticing period and scheduling of a public hearing and protest vote process."

BACKGROUND AND DISCUSSION

Staff is proposing a schedule of Water user fees that will cover debt service, operating and reserve requirements for the next five years. The fees also include setting aside a portion of the total cost to replace the most urgent capital needs of the system, including:

- Infiltration Gallery modification for increased reliability.
- Replacement of all pre-incorporation era distribution piping (Approx. 31% of the distribution system by linear feet).
- Painter Street Tank replacement.
- Water Meter replacement.
- Miscellaneous Equipment replacement.

Inclusion of these capital replacement match dollars represents the most significant change related to the water rates. Once adopted, the rates are projected to collect 20% of the estimated cost of these projects, spread over five years. The State of California is beginning a \$2.2+ billion dollar campaign to combat the drought, and available grant dollars are expected to increase for projects related to water. The ability of the City to match grant dollars is critical to secure the necessary funding to meet the long-term capital needs of the water system. Accessing these grants will be key in shielding rate payers from higher long-term capital replacement costs as the system continues to age. Under the current rate structure devised in 2005, there are no funds being placed aside for future capital improvements; however \$136,000 is spent annually on debt

service for capital improvements made around 2005 to complete the infiltration gallery and main water plant.

The proposed series of rates are based off of an analysis performed on behalf of the city by a consultant from Rural Communities Assistance Corporation (RCAC) at no cost to the city. Each option, according to the consultant, achieves the same revenue goal. And it was a \$1,105,151 revenue goal that the City Council adopted (5-0) on August 4, 2015 that included funds for matching dollars to fulfill a portion of the capital improvement plan.

The necessity of the rate increase is not based on long-term capital needs alone. In June of 2014 representatives from USDA Rural Development expressed concerns about the negative net income for the water system as detailed in the 2013 audit. Furthermore, as recently as last month, representatives of the State Water Resources Control Board have stated that they:

“...would not be able to offer the City of Rio Dell financing of any kind (Loan, grant or a combination thereof) until the city demonstrates that the Water Enterprise Fund is 1) no longer operating at a deficit, 2) the City is meeting its existing Debt Coverage Requirement as stated in the [loan] agreement.”

SWRCB staff further noted deficits going back at least three years where *“expenses greatly exceeded revenues.”*

Part of the SWRCB agreement also calls for a reserve of \$136,000 (the amount of an annual payment) on hand by the year 2020. The City currently has no money set aside to meet this requirement. The proposed rate adjustment would set aside funds over the next 5 years to meet this commitment.

Without action, the city stands no chance at securing some of the billions in grant funds coming available through the State Budget or Proposition 1 that will be directed towards local water systems. Applications for these funds are opening right now, yet the condition of the water funds is so impaired that we do not qualify for funding. If the City is unable to leverage these funds, where will the funds come from to replace the city's aging water infrastructure? The most likely outcome will ultimately be an even higher future burden upon ratepayers than is proposed in this agenda.

The proposed rates correct the current deficit, rebuild reserves and set the city on a long-term track towards a sustainable water delivery system that is more reliable than it is today. The proposal seeks to leverage state and federal funds to help cover decades of deferred maintenance that has only resulted in more needlessly expensive repairs.

The proposed water rates would also make major changes to how the City bills customers outside of City limits and in the more rural areas of the system. Currently, customers outside of the City limits are charged an extra 50%. However, under state law the City must charge for only the cost of providing water service, and provide a justification for those rates. The City's consultant at RCAC and staff recommend breaking down the water system into pressure zones, where costs can be more easily identified and justified. In this case, there are only two pressure zones in the City of Rio Dell. The Dinsmore Zone is located along Monument Road and the Dinsmore Plateau (A separate list of homes within the Dinsmore Zone is provided) and covers 29 customers. The main zone covers the rest of Rio Dell's customers from Bellevue St. to Edwards St. and everything inbetween.

The need for a water rate adjustment has been communicated to the ratepayers through two agenda items on August 4th and 18th followed by a town hall style study session on the 15th which was advertised through direct mailers. Once the council sets the proposed rate schedule, staff will also distribute a newsletter focused on the topic of the water rate proposal. Finally, the legally required process calls for a public hearing and mailed notice that also provides for protest votes to be submitted and counted over a 45 day period that begins soon after the City Council authorizes staff to proceed with a selected rate scenario. If 50% +1 of affected property owners protest during the 45 day public comment period, the rate increase will not go through.

As discussed at length on August 18th and September 15th, the Council needs to choose between the seven rate options presented. According to the city's water rate consultant, all options presented will achieve the revenue goal that the council set on August 4, 2015 of \$1,105,151.

Once the Council sets the rate option, staff will work to begin the 45 day public noticing process and hold the public hearing on November 17, 2015.

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WATER RATE STRUCTURES

Option #	1	2	2A	2B	3	4	5
Option Description	2-Tier Cost Based Rate Structure (100% Fixed /0% Variable)	2-Tier Cost Based Rate Structure (75% Fixed /25% Variable)	2-Tier Cost Based Rate Structure (70% Fixed /30% Variable)	2-Tier Cost Based Rate Structure (60% Fixed /40% Variable)	2-Tier Cost Based Rate Structure (50% Fixed /50% Variable)	2-Tier Cost Based Rate Structure (25% Fixed /75% Variable)	2-Tier Cost Based Rate Structure (0% Fixed /100% Variable)
Total Main City System Revenue Target	\$1,082,458	\$1,082,458	\$1,082,458	\$1,082,458	\$1,082,458	\$1,082,458	\$1,082,458
Base Rate Goal (Fixed Costs)	\$1,082,458	\$811,844	\$757,721	\$649,475	\$541,229	\$270,615	\$0
Per Unit Rate Goal (Variable Costs)	\$0	\$270,615	\$324,737	\$432,983	\$541,229	\$811,844	\$1,082,458
Base Rate (Fixed Costs)	\$62.17	\$46.63	\$43.52	\$37.30	\$31.08	\$15.54	\$0.00
Cost per Unit (100 CF)	\$0.00	\$3.04	\$3.65	\$4.87	\$6.09	\$9.13	\$12.17
Base Rate + 1 Unit/Month	\$62.17	\$49.67	\$47.17	\$42.17	\$37.17	\$24.67	\$12.17
Cost/Unit after 1st Unit	\$0.00	\$3.04	\$3.65	\$4.87	\$6.09	\$9.13	\$12.17
Dismore Base Rate							
Surcharge/month	\$65.21	\$65.21	\$65.21	\$65.21	\$65.21	\$65.21	\$65.21
Total Base Rate Dismore	\$127.38	\$114.88	\$112.38	\$107.38	\$102.38	\$89.88	\$77.38
Cost per Unit (100 CF) Dismore	\$0.00	\$3.04	\$3.65	\$4.87	\$6.09	\$9.13	\$12.17
Total Annual Revenue Target							
Main City + Dismore	\$1,105,151	\$1,105,151	\$1,105,151	\$1,105,151	\$1,105,151	\$1,105,151	\$1,105,151

WHAT WILL MY WATER BILL COST ME IF THE RATES ARE CHANGED?



UNITS	CURRENT	OPTION 1	OPTION 2	OPTION 2A	OPTION 2B	OPTION 3	OPTION 4	OPTION 5
	RATES							
0	27.84	62.17	46.63	43.52	37.30	37.17	24.67	-
1	27.84	62.17	49.67	47.17	42.17	43.26	33.80	12.17
2	30.35	62.17	52.71	50.82	47.04	49.35	42.93	24.34
3	32.86	62.17	55.75	54.47	51.91	55.44	52.06	36.51
4	35.37	62.17	58.79	58.12	56.78	61.53	61.19	48.68
5	37.88	62.17	61.83	61.77	61.65	67.62	70.32	60.85
6	40.39	62.17	64.87	65.42	66.52	73.71	79.45	73.02
7	42.90	62.17	67.91	69.07	71.39	79.80	88.58	85.19
8	45.41	62.17	70.95	72.72	76.26	85.89	97.71	97.36
9	47.92	62.17	73.99	76.37	81.13	91.98	106.84	109.53
10	54.09	62.17	77.03	80.02	86.00	98.07	115.97	121.70
11	57.75	62.17	80.07	83.67	90.87	104.16	125.10	133.87
12	61.41	62.17	83.11	87.32	95.74	110.25	134.23	146.04
13	65.07	62.17	86.15	90.97	100.61	116.34	143.36	158.21
14	68.73	62.17	89.19	94.62	105.48	122.43	152.49	170.38
15	72.39	62.17	92.23	98.27	110.35	128.52	161.62	182.55
16	76.05	62.17	95.27	101.92	115.22	134.61	170.75	194.72
17	79.71	62.17	98.31	105.57	120.09	140.70	179.88	206.89
18	83.37	62.17	101.35	109.22	124.96	146.79	189.01	219.06
19	87.03	62.17	104.39	112.87	129.83	152.88	198.14	231.23
20	90.69	62.17	107.43	116.52	134.70	158.97	207.27	243.40

UNITS	CURRENT SEWER BILL
0	47.76
1	51.94
2	56.12
3	60.30
4	64.48
5	68.66
6	72.84
7	77.02
8	81.20
9	85.38
10	89.56
11	93.74
12	97.92
13	102.10
14	106.28
15	110.46
16	114.64
17	118.82
18	123.00
19	127.18
20	131.36

ADDITIONAL INFORMATION

	CURRENT RATES	OPTION 1	OPTION 2	OPTION 2A	OPTION 2B	OPTION 3	OPTION 4	OPTION 5
Base (Fixed)	27.84	62.17	46.63	43.52	37.30	37.17	24.67	-
Units (Variable)								
Unit 1	-	-	3.04	3.65	4.87	6.09	9.13	12.17
Units 2-9	2.51	-	3.04	3.65	4.87	6.09	9.13	12.17
> 9 Units	3.66	-	3.04	3.65	4.87	6.09	9.13	12.17

OPTION	FIXED COST	VARIABLE COST
1	100%	0%
2	75%	25%
2A	70%	30%
2B	60%	40%
3	50%	50%
4	25%	75%
5	0%	100%

City of Rio Dell



Public Works - Water

DINSMORE ZONE CUSTOMERS, August 18, 2015

CUSTOMER NAME	LOCATION	In/Out of City Limits
DELGADO, PEDRO	622 MONUMENT RD	IN
WATERS, A. DUNN & N.	624 MONUMENT RD	IN
GILBERT, JAMIE	628 MONUMENT RD	IN
STADTER, LINDA M	926 MONUMENT RD	OUT
BATTAGLIA, KAREN	1020 MONUMENT RD	OUT
FLEMING, JOHN	1042 MONUMENT RD	OUT
ANDERSON, MELVIN J.	1054 MONUMENT RD	OUT
PEAVEY(1), BARBARA	1110 MONUMENT RD	OUT
HARRISON, STEPHEN	1118 MONUMENT RD	OUT
YAPLE, ARYN	1154 MONUMENT RD	OUT
CHANG, DAVID & BEVERLY	1172 MONUMENT RD	OUT
MEGAZZI, MIKE	1180 MONUMENT RD	OUT
MOORE, MYRNA	1208 MONUMENT RD	OUT
CROZIER, DENNIS	1264 MONUMENT RD	OUT
TATUM, BONNIE	1330 MONUMENT RD	OUT
BROWNELL, GARY	1390 MONUMENT RD	OUT
STURDEVANT, SETH	1401 MONUMENT RD	OUT
COLOSIO, JANELLE & MARK	1412 MONUMENT RD	OUT
CIDONI, LINDA	1555 MONUMENT RD	OUT
BRAVO, LARRY	1600 MONUMENT RD	OUT
LOMMORI, MIKE	1615 MONUMENT RD	OUT
MONUMENT SUB. WATER DIST.	1789 MONUMENT RD (4 TOTAL LOCATIONS ON THIS METER)	OUT
HAGEMANN, DAVID	2020 MONUMENT RD	OUT
MELCHOR, CAGUANA	720 DINSMORE RANCH ROAD	IN
DENNING, JOEL	1150 DINSMORE RANCH ROAD	IN
HALL, BRYAN	1200 DINSMORE RANCH ROAD	IN

The Dinsmore Zone is a separate pressure zone in the Rio Dell Water system. If your name (or water billing address, or Subdivision Water District) appears on this list, it means you and your property are within the Dinsmore pressure zone and will be charged the Dinsmore Zone rate. This zone begins from the Douglas Booster Station that services the Dinsmore Tank and piping to your water meter.

WATER RATE INCREASE FREQUENTLY ASKED QUESTIONS



Q: HOW MUCH WILL MY RATE INCREASE?

A: *See CHART 1.3 to find out how the rate effects you. The actual increase depends on which proposed option (1-5) is adopted.*

Q: WHY IS A RATE INCREASE BEING PROPOSED?

A: *The Prop 281 process allows for a fair process when adjusting utility rates. Currently, revenues are insufficient to support the water system and an increase is being proposed in order to provide for debt payments on the current system and funds for maintaining, repairing, and eventual replacement of older infrastructure. The Metropolitan wells will be maintained in order to provide the City's water in an emergency, such as severe drought.*

Q: WHAT HAPPENED IN 2005?

A: *The Finance Director put together an analysis of the 2005 rate change that appeared on the August 18, 2015 City Council agenda (Item I-3). In Summary, the revenues set at that point in time never adequately covered the cost of any proactive capital improvement plan into the future. Funds set aside for capital improvement ultimately went toward debt service for the infiltration gallery and water treatment plant improvements made during that period of time. Since 2005, the distribution system has only become older, more problematic, and more expensive to fix.*

A:

Q: WHY IS REACHING 1.5% - 2% OF MHI IMPORTANT?

A: *Median Household Income (MHI) is important because it is a common metric used by various State and Federal agencies to determine local access to grant and loan dollars and other financial assistance. The MHI is developed annually by the American Community Survey, part of the U.S. Census. Currently, Rio Dell's MHI is listed at \$42,127. Since 2005, Rio Dell's "Plan" to meet the long-term capital needs of the system has been based upon access to State and Federal grants to cover 100%. California's grant dollars for water projects only kick in when the City's water rates are at least 1.5% of MHI, or approximately \$52.66 per customer. The current average Rio Dell water bill is \$38.72, making Rio Dell ineligible for many state grant funds.*

The 2005 strategy of relying on state or federal grants has resulted in few capital projects having been undertaken over the past 10 years, yet the system as a whole is ten years older. Moving forward, Rio Dell is eligible for even fewer state and federal funds than we were ten years ago. Unless the rates change.

In addition to the proposed rate change, staff is working with our state and federal partners to reassess the MHI figure for Rio Dell. Our hope is that a combination of higher water rates combined with a reassessed and lower MHI will provide a good combination to leverage grant dollars, actively replace aging infrastructure and keep long-term water rates stable.

Q: CAN WE FUND THE IMPROVEMENTS THROUGH OTHER MEANS SUCH AS A LOCAL SALES TAX?

A: *Yes. Currently a special sales tax dedicated to a specific purpose such as the water system would take a 2/3 vote to pass.*

Q: WHY CAN'T WATER LINES BE REPLACED ONE STREET AT A TIME RATHER THAN THE ENTIRE CITY ALL AT ONCE?

A: *There is no proposal to replace all city piping all at once. There is a proposal to replace approximately 30,000 feet of small diameter piping installed around 1950 before the incorporation of the City. This piping is well beyond its useful life and needs to be replaced with modern diameter piping. The cost of this project is estimated at \$2,450,000 of which the rate change would raise approximately 20% of this cost over five years. It is generally more cost effective to replace larger sections of piping than by dividing the same work over multiple years. As an example, mobilization/demobilization is often a considerable cost in any construction.*

WATER RATE INCREASE FREQUENTLY ASKED QUESTIONS



Q: CAN THE CITY RESTRUCTURE ITS DEBT

A: *The City currently makes payments zero percent interest loan over a twenty five year period. There are no provisions in the agreement that allow for extension of the loan term. Refunding (refinancing) the debt is not advisable.*

Q: DO OUR TAXES GO TOWARD FUNDING THE WATER SYSTEM?

A: *No. Under the California Constitution, Article XIII, § 2, your water bill is a property related charge. The water bill is used to recover the costs of providing this service. Your taxes (property, income, sales, etc.) are imposed for general purposes with a broad public benefit, such as law enforcement.*

Q: WHAT IS THE DINSMORE ZONE?

The Dinsmore Zone is a specific pressure zone associated with the Dinsmore Tank and distribution system. The Zone's location covers much of the Dinsmore Ranch Road and areas along the upper reaches of Monument Road. It covers customers both inside and outside of city limits. See CHART 1.1 for details.

Under the proposed water rates, if you are a water customer within the Dinsmore Zone, you will be subject to an additional rate surcharge that separately covers the cost of providing service to this pressure zone.

Please refer to the attached Dinsmore Zone Customers to see if you, your property owner, or your address is listed. If you pay a water bill associated with these addresses, you will be subject to the Dinsmore Zone surcharge.

Q: WHO GETS TO VOTE IN A 218 PROCESS?

A: *Under the California Constitution, the "Record owner of each identified parcel" must be notified and allowed to submit a protest vote. If the number of protest votes is above 50% then the rate change cannot move forward.*

Q: WHAT HAPPENS IF THE RATE INCREASE IS REJECTED BY MAJORITY VOTE?

A: *The water fund reserves are estimated to be depleted by the end of 2015-2016 fiscal year. Operations will have to be cut by 28% and there will be \$0.00 funds available for major repairs and infrastructure replacement. Additional funding sources will be inaccessible due to the MHI threshold. Insolvency is inevitable if a rate increase isn't adopted.*

Q: WHAT IS THE AVERAGE WATER USE?

A: *The average water use is 5 units per month per customer.*

Q: WHAT ARE THE EXPENSES FOR THE WATER FUNDS?

A: *The FY 2015-2016 proposed \$859,000 in expenditures. This amount is broken down into \$678,000 for operations and \$136,000 for debt service, and \$45,000 for capital expenditures.*

Q: CAN WE GET MONEY FOR SENIORS OR THE POOR TO HELP WITH THE WATER BILL?

A: *Your water bill is a property related charge to recover the cost of providing the service. Under Proposition 218 and the California Constitution, one set of ratepayers cannot subsidize another. Currently, there are no other funds identified to provide a rate subsidy toward a specific group of consumers, nor are there staff resources to administer or enforce such a system.*

Q: CAN WE PROVIDE COMMERCIAL DISCOUNTS?

A: *Your water bill is a property related charge to recover the cost of providing the service. Under Proposition 218 and the California Constitution one set of ratepayers cannot subsidize another. Currently, there are no other funds identified to provide a rate subsidy toward a specific group of consumers.*

WATER RATE INCREASE
FREQUENTLY ASKED QUESTIONS



Q: HOW CAN WE KEEP FUTURE STAFF AND COUNCIL ACCOUNTABLE TO SPEND THE WATER FUNDS

A: *Staff will engage in regular reporting to the Council and the public that show the City's accountability for the collection of water revenues as stipulated in the new water rate structure.*

Q: CAN WE PHASE IN THE RATE CHANGE OVER TIME?

A: *Yes, so long as the wording and language proposed in the Proposition 218 process is clear.*

Q: HOW DO YOU TELL THE DIFFERENCE BETWEEN WATER AND SEWER ON YOUR UTILITY BILL?

A: *See CHART 1.2 that explains how to read your bill.*

Q: HOW IS WASTEWATER MEASURED

A: *The average water consumption for the months of December, January, and February is used to calculate your sewer bill. The average consumption is based on winter months and is billed monthly from July 1 to June 30 of any given year.*

Q: ARE THE NEW SEWER RATES REVENUE NEUTRAL?

A: *Yes. Wastewater rate study revenues were set at \$1,167,000. Actual collections in the Sewer Funds for FY 2014-2015 closely reflect this amount.*

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A: *Yes. Wastewater rate study revenues were set at \$1,167,000. Actual collections in the Sewer Funds for FY 2014-2015 closely reflect this amount.*